International Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper ** Paris, Thursday, January 25, 1996 No. 35,117

Major Offers Ulster Talks Before IRA Disarms

But Sinn Fein Sees Serious Flaw in Vote To Elect Negotiators

By James Clarity
New York Times Service

BELFAST — Hours after an international commission urged the disputing parties in the Northern Ireland peace effort to seek a compromise Wednesday, Prime Minister John Major of Britain proposed one: a new format that would allow Sinn Fein, the political arm of the Irish Republican Army, to participate in full-fledged peace talks before the IRA actually began to disarm.

Until Wednesday, Britain had insisted that disarmament begin before Sinn Fein could sit at a negotiating table with all parties involved in the peace effort in the predominantly Protestant British province. Sinn Fein had insisted that the IRA would not disarm until there was an overall political settlement of the sectarian guerrilla warfare in the north.

But from the Sinn Fein point of view, there was a serious catch in Mr. Major's proposal. Instead of the immediate round table that Sinn Fein wants, Mr. Major proposed a body that would be created from newly held elections in the north, probably in the spring. Once that was created, he said, "it is possible to imagine decommissioning and such negotiations being taken forward in parallel."

Sinn Fein sees a new elected body as a British delaying tactic.

Simultaneous talks and decommissioning, as disarmament is called here, was proposed Wednesday morning by the commission headed by a former sello. senator, George J. Mitchell of Maine.

But the commission had not specified what kind of a body it had in mind for the simultaneous talks and disarmament. It stated that the concept of an elected body had been advocated by persons appearing before the commission, but that the commission was not authorized to make specific recommen-

See ULSTER, Page 6

Paul McErlane/The Associated Press

Former U.S. Senator George J. Mitchell, center, issuing his report Wednesday in Belfast with the other members of his panel, General John de Chastelain of Canada, left, and Harri Holkeri, former Finnish prime minister.

Clinton Sounds Like a Front-Runner

President Exudes Confidence in His State of the Union Address

By R.W. Apple Jr.
New York Times Service

WASHINGTON — President Bill Clinton gave a front-runner's speech, the speech of a candidate confident that he is ahead.

In a State of the Union message that proposed an agenda not only for this year but also for the second term that Mr. Clinton hopes to win in November, he dwelt only briefly on the protracted struggle over the budget. He sounded almost as if the fight were over, telling Congress and the nation that only one more push was needed to "make permanent deficits yesterday's legacy."

Then he hurried on to the future, setting out a series of challenges that he said the nation faced in what he termed this "Age of Possibility."

The possibilities, the president said again and again, using various metaphors and examples, could be realized only by cooperation between Republicans and Democrats, between federal and state and local governments, between government and the private sector. He set himself against "division, discrimination and rancor" and argued that "self-reliance and teamwork are not opposing virtues."

NEWS ANALYSIS

At home, the president said, he wanted to strengthen the American family, widen educational opportunity, increase economic security, crack down on crime and drugs and preserve the environment. On the international scene, the United States should neither be the world's policeman nor retreat into isolationism. The role he proposed was "America the peacemaker."

Remarkably restrained, relatively nonideological, almost bipartisan in tone, Mr. Clinton's words sounded an appeal to the political center.

The president has spent the last year facing an increasingly hostile Congress. Twice it has closed down much of the government as part of the tug-of-war with him. It has taken aim at many of his favorite programs. It has sought, sometimes successfully, to put him on the defensive. At one point last year, he found it necessary to proclaim his own relevance.

See CLINTON, Page 6

Giscard Joins Chorus Urging Currency Delay

Spain Talks Of a Crisis In Credibility

By Tom Buerkle
International Herald Tribune

BRUSSELS — Pressures to amend Europe's plan for a single currency reached a crescendo Wednesday as former President Valéry Giscard d'Estaing of France, one of the Continent's most senior Europhiles, broke ranks and suggested softening the conditions of monetary union.

The proposal by Mr. Giscard d'Estaing came as Carlos Westendorp, the Spanish foreign minister, said the single currency faced a "credibility crisis" and that its planned 1999 introduction might have to be delayed.

The comments reflected a growing fear among European Union leaders that monetary union could collapse unless governments moved quickly to address widespread doubts about the wisdom and feasibility of forging a single currency according to the Maastricht timetable.

Mr. Giscard, who paved the way for monetary union by linking European currencies in the late 1970s, suggested that EU governments should adjust the single-currency criteria in the Maastricht Treaty on European Union to take account of the recent sharp slowdown in the economy.

The slowdown has pushed up budget deficits and undermined confidence in Europe's ability to meet the 1999 single-currency deadline. Germany last week conceded that it exceeded the Maastricht deficit ceiling of 3 percent of gross domestic product in 1995, while France on Tuesday said it overshot its 1995 deficit target of 5 percent of GDP.

"We ought to look at the average situation" over the course of the business cycle, Mr. Giscard d'Estaing said in a speech at an EU conference on the single currency in Brussels.

Mr. Giscard d'Estaing's comments came one day after Jacques Delors, the former European Commission president, warned that the Union could miss the 1999 deadline unless it sought to cut unemployment as well as budget deficits.

The Giscard d'Estaing proposal met with a guarded response from the European Commission, the EU executive agency charged with implementing Maastricht provisions.

Yves-Thibault de Silguy, the commissioner for monetary affairs, said governments should concentrate on meeting the criteria instead of lobbying over how they will be interpreted in early 1998, when EU leaders are supposed to decide which countries can join in the single currency.

But commission officials acknowledged that, contrary to popular belief, the Maastricht treaty does contain leeway for interpreting the deficit guideline flexibly, in light of "the medium-term economic and budgetary position." Jacques Santer, the commission president, who has urged that the Maastricht criteria be applied strictly, said the commission would study Mr. Giscard d'Estaing's

See EUROPE, Page 6

Germans Set High Goal in Pact to Spur Jobs Growth

By John Schmid
International Herald Tribune

FRANKFURT — After three months of contentious debate, Germany's vaunted system of social consensus yielded an accord Wednesday with the quixotic goal of reducing unemployment by half by the year 2000 while also helping reach a desperately needed nationwide round of low-wage settlements.

After prodding from Chancellor Helmut Kohl, leaders from government, trade unions and industry signed off on a communiqué that pledged in principle that they would work together to convert overtime hours into new jobs, loosen up work hours, trim public spending, and reform taxes and welfare.

In return for the job-creation commitment, most unions have joined the chorus to accept pay increases that merely keep pace with inflation.

"If we act decisively, and get a little luck with the economy, then this will work," said Economics Minister Günter Rexrodt. The common goals are what matters, said Mr. Rexrodt, adding that the goals are attainable with "great efforts."

"It sounds good but it's hardly credible," said a Frankfurt-based economist, Joachim Fels, who covers the German economy for Goldman, Sachs & Co.

It will take far more than the pact offers to reverse the nation's rising unemployment and then to thin the jobless ranks to around 2 million from nearly 4 million now, economists said.

"It would take a major overhaul of the wage formation system," Mr. Fels said. "You would need several years of consecutive declines in real wages."

Those looking for an overhaul of Germany's rigid wage bargaining would be disappointed. Unions used the "Alliance for Jobs" agreement to get a written reaf-

See GERMANY, Page 6

France Faces Week Of Labor Protests

French labor unions, which crippled the country with three weeks of strikes in November and December, served notice on the government Wednesday to get ready for new confrontations. Page 5.

China Denies Report of Plan for Attack on Taiwan

By Kevin Murphy
International Herald Tribune

HONG KONG — Beijing on Wednesday denied a newspaper report that it had completed plans for a limited military attack on Taiwan, while the authorities in Taipei appealed for calm.

"This is totally groundless," a Foreign Ministry spokesman in Beijing said, dismissing a New York Times report that China had mapped out an attack plan timed to follow the island's March presidential elections in March. He declined to comment further.

The United States denied that it had received warnings from Beijing that it might attack Taiwan.

"I am not aware of any specific Chinese assertions to the United States along the lines of those reported in the New York Times story this morning," the State Department spokesman, Nicholas Burns, said Wednesday. "To our knowledge, the Chinese government has not changed its fundamental policy of seeking a peaceful reunification with Taiwan."

The New York Times report on China's unusually explicit warnings to the U.S. Page 4.

He added that Washington believed that there was "no imminent threat" to Taiwan, but that it was "monitoring the situation very closely."

Taiwan officials, meanwhile, moved to calm fears of an attack by saying that the island can defend itself.

"Trust our army, our defense," Chan Chih-hung, a director at the cabinet's Mainland Affairs Council, said to Reuters. "It can certainly protect national security. We have sufficient forces to protect ourselves, and people should not scare themselves."

The president of Taiwan, Lee Teng-hui, in a speech to U.S. businessmen after the report was published, appealed to the United States to continue selling it defensive weapons.

"We hope that, in line with the Taiwan Relations Act, the U.S. government continues to supply defensive weapons to the Republic of China and in doing so safeguards the safety of the Taiwan Strait," Mr. Lee said, according to Reuters.

China objects strongly to any country selling

See CHINA, Page 4

A Stroll Into the Future With the Techno-Prophets

Life Will Be Different in the New Millennium

By Michel Marriott
New York Times Service

NEW YORK — It's a typical day in the year 2006. After a hectic afternoon of negotiating contracts with business partners in Hong Kong, London, Moscow and the Bronx, you step from your office and into your kitchen.

What's for lunch? You press a hand on your personal diagnostic machine that checks your blood pressure, cholesterol and weight-fat ratio and reads out your nutritional requirements. Up pops suggested menus.

Kitchen robots quietly go to work moving ingredients from a "smart" refrigerator that is built into a microwave oven. A minute later, out rolls a garden salad with dill dressing and an open-faced pork-roast sandwich on wheat.

After lunch, you return to your home office to finish some business in South Africa. If you're done early, maybe you can squeeze in a movie: "Gone With the Wind" you reconfigured with Bruce Willis as Rhett Butler.

For much of human history, talk of the future was relegated to the musings of self-described prophets, astrologers, dreamers and fools. But as the world lurches toward the 21st century, futurism is being taken more seriously by more people.

Look at nonfiction books published in the last couple of years. With titles like "The Road to 2015," "Visions of the Future," "Techno Trends" and "Vital Signs 1995: The Trends That Are Shaping Our Future," they give the impression, with their trend analyses and expert judgments, that the future just might be glimpsed.

"I think the whole appeal of the genre, including the science fiction genre, has always been a wish to engineer a dramatically different kind of life, especially with the millennium approaching," said Sybil Steinberg, a senior editor at Publishers Weekly.

But the truth is — and even futurists admit — predicting the future is a highly educated guess.

"When we make any forecasts, we know that there is no predetermined future," said Stephen M. Millett, head of technology intelligence and management at Battelle Memorial Institute, a

See FUTURE, Page 6

Newsstand Prices

Andorra	10.00 FF	Morocco	14 Dh
Antilles	12.50 FF	Qatar	10.00 Riels
Cameroon	1,600 CFA	Réunion	12.50 FF
Egypt	E 5	Saudi Arabia	10.00 R.
France	10.00 FF	Senegal	1,100 CFA
Gabon	1100 CFA	Spain	225 PTAS
Greece	350 Dr.	Tunisia	1.250 Din
Italy	2,800 Lire	Turkey	T.L. 60,000
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1.250 JD	U.S. Mil. (Eur.)	$1.20
Lebanon	US$ 1.80		

M 0132 - 0125 - 10,00 F

Chris Moore

DE LA RENTA'S VOW — Oscar de la Renta with a Balmain bride in Paris. The designer is staying on with Balmain, which celebrates its 50th anniversary. Yves Saint Laurent brought out a remix of 1971. Page 10.

AGENDA

3 NATO Peacekeepers Die in Blast

An explosion Wednesday rocked a NATO compound housing in Sarajevo housing Italian and Portuguese troops, killing at least three soldiers with the peacekeeping force in Bosnia-Herzegovina, officials said. Seven soldiers were wounded.

It was the most serious military accident involving NATO forces since they began to arrive after the Bosnian peace plan was signed in December.

The North Atlantic Treaty Organization said that the blast had been caused by "some form of unexploded ordnance."

One Italian and two Portuguese were killed, and six Italians and one Portuguese were wounded.

Fear of car-bomb attacks and concerns about a former U.S. Army special forces soldier led to a heightened state of alert at NATO bases, officials said Wednesday.

The alert was reported Tuesday by the command of the NATO-led force overseeing the peace deal for Bosnia. It said that guards and security officers had been cautioned against letting a black in his 30s named Kevin Holt on any base. (Page 6)

The American Center In Paris Will Close

The American Center in Paris announced Wednesday that it had lost its economic battle for survival and would be forced to close down and sell its new ultramodern headquarters.

The center served for 65 years both as promoter and window of American culture in Paris. Its striking new $41 million building, designed by Frank Gehry, was hailed as an exciting symbol of American self-confidence and an important addition to the fast-changing Parisian landscape. But from the moment it opened 19 months ago, its $6 million annual operating cost was more than the center could afford. The center received no U.S. government support. (Page 6)

Dow Jones	Trib Index
Up 50.57	Up 0.60%
5242.84	131.81

The Dollar

New York,	Wed. close	previous close
DM	1.485	1.479
Pound	1.511	1.5143
Yen	107.15	105.93
FF	5.0865	5.063

PAGE TWO
Tracing Angola's 'Fever Chart'

THE AMERICAS Page 3.
Gingrich Hints at Debt Accord

ASIA Page 4.
U.S. Reassurance on Security

EUROPE Page 5.
Chirac's Message for Washington

HEALTH/SCIENCE Page 10.
The 'Brain' Behind Gut Feelings

Opinion Pages 8-9. *Crossword* Page 18.
International Classified Page 7.

A Fragile Peace/ **Far Behind in Resolving 20-Year Civil War**

For the Moment, Angola's 'Fever Chart' Is Steady

By Suzanne Daley
New York Times Service

VILA NOVA, Angola — The 60 rebel soldiers waiting outside the barbed wire fence that surrounds a vast tent city here are dirty and dressed in ragged civilian clothes, some with nothing but plastic beach sandals for shoes. The guns and rocket launchers they carry are rusty, missing parts and sometimes held together with wire.

It can hardly be concluded that this bedraggled bunch of soldiers, ready to surrender to United Nations peacekeepers, are UNITA's crack soldiers or even that they are turning in their real weapons. But there is still a mood of jubilance among the UN troops who usher the rebels through a registration process and assign them tents.

On this day, at least, the peacekeepers have work to do. For most of the four months that the tents have been ready, no rebel soldiers of any kind have shown up.

Fourteen months after the Angolan government and UNITA signed their latest peace agreement, the process of ending Angola's 20-year civil war is far behind schedule and teetering in a kind of limbo, neither success or failure.

The fighting between the two groups, each controlling vast territories, has dwindled, flaring up only now and again.

The first tentative signs of reconstruction can be seen in parts of this devastated southwestern African country that is so full of oil, diamonds and good farmland that it could be rich.

But deadlines to begin disarming and disbanding the rebel forces continue to slip by. The UN peacekeeping force has 20,000 beds ready at four sites and is prepared to take in 800 soldiers a day, as part of an effort to quarter a rebel force that could be larger than 60,000. By day's end, they had processed only 500 men since November.

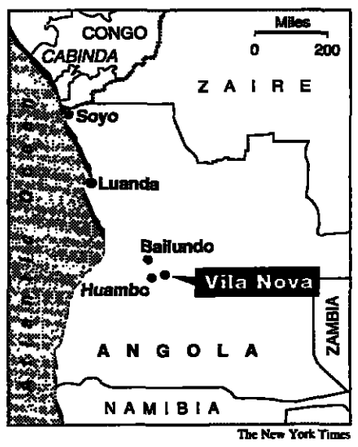
This month, UN officials and Western diplomats are blaming the standstill on UNITA, the National Union for the Total Independence of Angola (União Nacional para a Independência Total de Angola). But in November and December, they were blaming the government.

In late November, government troops attacked UNITA strongholds in Soyo, on the northern coast, on the very day that UNITA sent its first troops to the quartering site here in central Angola.

Since then, the government has made acts of contrition. President José Eduardo dos Santos has agreed to several UNITA demands, including that he send home his South African mercenaries and order a highly trained division nicknamed the Ninjas to return to their barracks.

Gary Bernard/Agence France-Presse

President José Eduardo dos Santos, left, embracing Jonas Savimbi after talks to shore up the peace accord.



The New York Times

Now, UN officials say, the process waits on UNITA.

At his bullet-pocked headquarters in the town of Bailundo, the rebel leader Jonas Savimbi met with the U.S. delegate to the United Nations, Madeleine K. Albright, on Friday and promised to have 16,500 troops in the quartering areas by Feb. 8.

Mrs. Albright, who will head the Security Council next month, said she had told Mr. Savimbi that the international community was getting fed up with the slow pace of the peace effort, which is costing $1 million a day.

The Security Council, she said, could withdraw its troops when the peacekeeping effort comes up for review on Feb. 7.

After the meeting, Mr. Savimbi met with reporters in his conference room, where frayed pink satin curtains hang by ropes across windows that no longer have any glass panes.

He reiterated his promise, but within minutes he was accusing the government of playing tricks. He questioned whether the mercenaries had really left or simply changed their corporate name and whether the Ninjas had really been withdrawn to their barracks.

Using a walking stick with a silver eagle head on it, he pointed to pictures on the wall of his dead nephew and others who had fought with him and said, "You can't let people go along with you, watch them die, and in the end let it all go."

Mrs. Albright, who is on a fact-finding mission in Africa for President Bill Clinton, praised Mr. Savimbi for his pledge but characterized the peace process in Angola as "a fever chart."

"It goes up and down," she explained. "There are moments of great hope and great disappointment. At the moment there is some reason for optimism because of the very beginnings of the quartering. But there is also reason for caution because we haven't always seen action follow words."

Angola has scarcely known peace since 1961, when nationalists began an uprising against their Portugnese colonizers. No sooner had independence been won in 1975 than the victors turned on each other.

The current treaty, known as the Lusaka Protocol, is the third attempt at peace between the two sides. But it is the first to guarantee a share of power to UNITA and the first to be backed by 6,500 armed UN peacekeepers.

Many of those in the negotiations say it is impossible to predict what UNITA will do. They say that removing the peacekeepers would leave Mr. Savimbi vulnerable to attack.

But others suggest that Mr. Savimbi, still highly suspicious of the government, may simply send just enough troops to the quartering sites to insure that the United Nations renews its mandate and then drag the process on, looking to negotiate a better deal for himself and his troops.

During most of the fighting, UNITA was supported by the United States and South Africa. Mr. dos Santos was supported by the Soviet Union and Cuban troops.

But since the Cold War sponsors withdrew their support, it has become more and more difficult to detect any reasons for the war other than the personal grudges that Mr. Savimbi and Mr. dos Santos bear for each other and the power and wealth that control of the diamond and oil districts can bring.

The soldiers at the gate to the compound said they were turning themselves in because they believed that it was time for peace. But there was a similarity in their phrasing, as if they had been coached on what to say. Asked what the war was about, many of them shrugged.

Bernardo Calindo, 23, who said he had been fighting for five years, sounded particularly disgusted. "I have no idea what this war is about," he said. "You will have to ask someone who is older."

COMING UP

For well over six years, senior clerics at an English cathedral have been feuding behind the church's Gothic walls. In the last year, the fighting has gone public with charges that have rocked the Church of England.

Peres Meets With Arafat First Time Since Vote

Reuters

EREZ, Gaza Strip — Prime Minister Shimon Peres of Israel met Yasser Arafat on Wednesday in their first talks since Mr. Arafat was elected the Palestinians' president.

Neither leader spoke to reporters as they entered an Israeli-Palestinian liaison office in the Gaza Strip near the border with Israel.

Mr. Arafat was overwhelmingly elected Saturday to head a self-rule government for the next three years in the West Bank and Gaza Strip while negotiating an end to the conflict with Israel.

The two leaders were to discuss future peace moves.

Among other things, Mr. Arafat was expected to press Mr. Peres on Palestinians still held prisoners by Israel. Mr. Peres intended to emphasize that the PLO must amend the parts of its charter calling for the destruction of Israel.

Final peace talks are to start in May. They will deal with the status of Jerusalem, Jewish settlements in the West Bank and Gaza Strip, Palestinian refugees and the final shape of Palestinian government. The PLO's goal is an independent state.

Mr. Arafat won nearly 90 percent of the vote in the race to head the interim government. His Fatah faction of the Palestine Liberation Organization won a solid majority in a parallel election for an 88-member legislative council.

The 1993 framework peace accord provided Palestinian self-rule in most of the Gaza Strip. Autonomy was extended to large parts of the West Bank by the end of last year.

■ Israeli Terms on Golan Pullout

Thomas W. Lippman of The Washington Post reported from Washington:

With peace negotiations between Israel and Syria resuming, the Israeli foreign minister, Ehud Barak, has offered a tough, ambitious definition of the "full peace" that Israel would demand as the price of a full withdrawal from the Golan Heights.

He said Israel wants diplomatic relations, an open border, trade, tourist exchanges, "a free flow of goods, services and people," communication and transportation links, joint water projects and even integration of the two countries' electricity grids.

This formulation goes far beyond anything President Hafez Assad of Syria has offered publicly and beyond what any Arab state — even those at peace with Israel — has delivered. But it is consistent with the message Israeli officials have been delivering recently: They will not be satisfied with the chilly, minimum-contact peace they have with Egypt.

When Egypt agreed to a peace treaty in 1979, it was the first Arab state to do so and Israel was happy to take what it could get, Israeli officials said. The two countries are at peace and work together on some issues, but there is relatively little commercial or touristic contact.

In the Israeli view, Mr. Assad might be prepared for an "Egypt minus" peace agreement — something less than Israel has with Egypt. But Israel wants "Jordan plus" — a reference to the rapidly developing friendly links between Israel and Jordan.

Mr. Barak, a career military officer, was in Washington for his first working visit as foreign minister. In his previous position, as Israel's chief of staff, he participated in negotiations with Syria that broke up without success last summer.

In a conversation with Washington Post editors and reporters, Mr. Barak offered little reason to believe that peace between Israel and Syria is imminent.

He said that the current round of talks, at the Wye Plantation conference center on Maryland's Eastern Shore, was "exploratory" and that no decisions were being made. Even if Syria is persuaded to offer a peace agreement of such scope that the Israeli government could "persuade our people it's the right thing to do," Mr. Barak said, "I cannot make a prediction as to how long it will take.

"Three months, 13 months, 23 months, I don't know."

China and Taiwan Battle Over African Turf

By Howard W. French
New York Times Service

ABIDJAN, Ivory Coast — At the height of Cold War intrigue in Africa between the superpowers, Ethiopia and Somalia switched allegiances almost overnight in 1977, in a stunning realignment of the continent's strategic checkerboard.

Somalia turned away from Moscow and toward Washington, while Ethiopia, the region's most populous country and long a conservative Western ally, suddenly became a confirmed friend of the Eastern bloc.

Since the dissolution of the Soviet Union, the struggle between East and West has given way to a new rivalry for African allegiances.

China, with the world's largest population and one of its fastest-growing economies, is competing for influence against Taiwan, a small, insecure, but cash-rich capitalist country that Beijing considers a runaway province.

For the countries of Africa, which have faced diminishing assistance from traditional aid sources in the West, the competition has meant a vital new source of assistance.

For the two Asian powers, what is mostly at stake is not ideology but Africa's rich lode of United Nations votes, and, especially for long-isolated Taiwan, the prestige that comes from being officially recognized overseas.

Taiwan has been showering large sums of money on some of Africa's most cash-hungry countries, and the nation recently mounted a diplomatic blitz on the continent, managing to establish ties with 10 countries at the expense of Beijing, which automatically suspends relations with countries that open embassies in Taipei, Taiwan's capital.

In Taiwan's biggest breakthrough so far, Senegal, a diplomatic leader among French-speaking African countries, announced this month that it was establishing relations with the island, ending 30 years of cooperation with Beijing.

The move, which surprised diplomats throughout the region, came after years of cooperation between China and Senegal. Beijing built hospitals and a huge national stadium and generally used its weight in the United Nations and elsewhere to support initiatives important to countries in Africa, from anti-apartheid measures to debt relief.

On a tour of West Africa only a few weeks before the announcement, a deputy prime minister of China, Li Lanqing, paid a visit to Senegal that Chinese diplomats said was "very fruitful."

Although the Senegalese government has released no information about aid offered by Taipei, the country's vigorous opposition press has speculated at great length about monetary assistance.

If Senegal was enticed by monetary offerings, it would merely be following in the footsteps of other African countries like Gambia and Niger. Western diplomats say Taiwan gave Gambia as much as $35 million in assistance when it recognized Taipei, and Taipei is reported to have helped Niger pay civil service salaries at a time of fiscal crisis.

Chinese diplomats say that with their own country's overwhelming development needs they face a handicap in a bidding war of this sort.

"We established relations with African countries in the 1960s and 1970s, at a time when these countries needed political and economic assistance, and we have been doing everything it is within our means to do," said Tian Xiang, the first secretary of the Chinese Embassy in Abidjan. "We don't understand this. We regret it very much."

But diplomats here say that even as some of the continent's poorer nations are being peeled off by Taipei, Beijing is consolidating its relations with many larger countries.

With Ivory Coast, the world's largest cocoa producer, Beijing is pursuing a chocolate-producing joint venture that could sharply increase China's consumption of that product.

In Zaire, ruled by a dictatorship that has engendered disapproval in the West for years, diplomats say China has recently been signing contracts for one huge project after another, opening the way for a piece of that country's markets in areas like transportation and mining.

In recent months China has been increasing its trade and investment in Sudan, another large African country that has had difficult relations with the West.

"Beijing might not like to see the Senegals and Gambias turning their backs on them, but just like the Cold War, they see this is a battle of endurance," said a European diplomat with long service in the region. "What this erosion hides is that China still holds most of the strong cards and is not likely to lose them."

TRAVEL UPDATE

Newark Airport Opens Wing

NEWARK, New Jersey (NYT) — Newark International Airport formally opened a sprawling, $120 million international arrivals hall, a move that aviation experts say positions Newark to become the region's busiest airport. The light-filled addition to Terminal B is designed to double the airport's capacity to take in international passengers, to 3,000 passengers an hour when it is fully operating by year's end.

That, along with a $350 million monorail to open in May connecting the main Newark terminals, could siphon off passengers from Kennedy International Airport who have long been maddened by the lengthy arrival lines at immigration and the maze that constitutes terminal transfers.

"Kennedy is known in the business as the airport people love to hate," said David S. Stempler, a Washington-based airline passenger consultant. "If Newark can capitalize on the fact that connections will be easier, I think it will really have an advantage."

Finns Threaten Air Strike

HELSINKI (AFP) — Finnish air traffic controllers threatened Wednesday to go on strike Feb. 7 if a wage dispute was not resolved, the Federation of Air Traffic Controllers said.

The threat came on the eve of negotiations set to open Thursday between the state mediator, Jorma Reini, and the unions. The dispute affects 250 controllers, whose union refused last year to sign a salary agreement with Finland's major trade unions.

Water service has been restored in Jamaica after a strike by utility workers cut supplies to most places, including tourist hotels. About 2,000 employees of the National Water Commission returned to work Tuesday without a resolution of their salary dispute. They walked off the job Monday. *(AP)*

Hong Kong's new airport project is on schedule to open in April 1998, a year after China's takeover of the territory, the government said. The multibillion-dollar airport in Chep Lap Kok is 48 percent completed. *(AFP)*

Air Traffic Computers Called Faulty

New York Times Service

WASHINGTON — The nation's air traffic control system suffers long, costly breakdowns not just because it is old, but also because poor decisions by the Federal Aviation Administration have left the agency ill-prepared to maintain the 30-year-old computers, the National Transportation Safety Board said Tuesday.

The board began its investigation last spring after major breakdowns at the Chicago Center, one of 20 regional centers that handle high-altitude long distance flights. It said Monday that most of the breakdowns pose very little risk of accident, only the certainty of flights' being delayed for hours or canceled.

But it added that controllers need more training in what to do when their equipment suddenly breaks down and information disappears from their screens. For 30 percent of the time, the system is one failure away from breakdown, the board said.

"Right now, they don't have the capacity to take care of the problem the way they should," said Bernard S. Loeb, head of the office of aviation safety at the board, an investigative body with the power to make recommendations to the FAA, which runs the air traffic system.

Your affordable business partner with a passion for details and a great location

HÔTEL DU RHÔNE
GENEVA
Tel. (4122) 731 98 31
Fax (4122) 732 45 58

To subscribe in Switzerland just call, toll free, 155 57 57

A SIMPLE CURE FOR THE FEAR OF FOREIGN PHONES.

To call, just dial the Access Number for the country you're visiting, and you'll reach an English-speaking Sprint Operator. It's that easy.

COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS
American Samoa	633-1000	Colombia	980-130-010	Indonesia (Jakarta)	008-801-15	New Zealand (In-country calls) Δ	0130-[area code-phone no.]	Switzerland +	155-9777
Antigua Ω (dedicated phone)	#0	Costa Rica +	0800-0013-0123	Ireland +	1-800-55-2001	New Zealand	000-999	Syria +	0888
Antigua Ω (pay phone)	1-800-366-4663	Croatia +✓	99-385-0113	Israel +	177-100-2727	Nicaragua (Managua)	171	Taiwan	0080-14-0877
Argentina	00-1-800-777-1111	Cyprus ✓	080-900-01	Italy +	172-1877	Norway +	800-19877	Thailand ✓	001-999-13-877
Armenia	8-10-155	Czech Republic +✓	0042-087-187	Jamaica (hotels)	875	Panama	115	Turkey +	00-800-1-4477
Aruba Ω	800-8870	Denmark +	800-1-0877	Jamaica (airports/docks)	5	Peru ✓	176	U.S. Virgin Islands	1-800-877-8000
Australia (Optus) +	1-800-551-10	Dominican Republic Δ	1166+77	Jamaica (all other)	0800-877-8000	Philippines (PLDT restricted cities) ◇	105-01	U.S.A.	1-800-877-8000
Australia (Telstra) +	1-800-881-877	Ecuador ✓	999-171	Japan (DDC) +	0066-55-877	Philippines (PASCOM) Δ	102-611	Ukraine	8-100-15
Austria	022-903-014	Egypt (Cairo) +	356-6777	Japan (KDD) +	0039-131	Philippines (PIDP)	105-16	United Arab Emirates +	800-131
Bahamas +	1-800-289-2311	El Salvador	800-1776	Jordan	18-800-777	Poland +	00104-800-115	United Kingdom (BT)	0800-89-0877
Bahrain	800-777	Fiji Islands	004-890-100-3	Kenya ✓	0800-12	Portugal +	05017-1-877	United Kingdom (Mercury)	0500-89-0877
Barbados Δ	1-800-877-8000	Finland +	9800-3-0284	Korea ‡	550-PONE	Puerto Rico	1-800-877-8000	Vatican City +	172-1877
Belgium +	0800-10014	France +	19◆0087	Korea (Taesan) +	0039-12	Romania +	01-800-0877	Venezuela	800-1111-0
Belize (hotels)	556	Germany +	0130-0013	Korea (KT) ◆◆	009-16	Russia (Moscow) +	155-6133	Vietnam (calling centers)	1201-1111
Belize ◇	812	Greece +	008-001-411	Liechtenstein +	155-0777	Russia (all other) +	8◆195		
Bermuda ✓	1-800-623-0877	Guam	950-1366	Lithuania ✓	8◆197	Saipan	288-0333		
Bolivia	0800-3333	Guatemala +	195	Luxembourg	0800-0115	Saipan (Tinian and Rota) +	1-235-0333		
Brazil	000-8016	Honduras Δ	121	Macau	0800-121	San Marino +	172-1877		
British Virgin Islands Δ	1-800-877-8000	Hong Kong	800-1877	Malaysia +	800-0016	Saudi Arabia	1800-15		
Bulgaria Δ	00-800-1010	Hong Kong Δ	011	Mexico +	95-800-877-8000	Singapore +	8000-177-177		
Canada	1-800-877-8000	Hungary +✓	00◆800-01-877	Monaco +	19◆0087	Slovak Republic +✓	0042-087-187		
Cayman Islands	1-800-366-4663	Iceland +	800-9003	Netherlands +	06-022-9119	South Africa +	0-800-99-0011		
Chile	00◆0317	India +	000-127	Netherlands Antilles (Curaçao & Bonaire) +	001-800-745-1111	Spain	900-99-0013		
China +✓	108-13	Indonesia (Jakarta)	001-801-13			Sweden +	020-799-011		

Certain restrictions apply where country-to-country calling is available. Listing subject to change. For Customer Service call the Sprint Access Number of the country you're in or 1-800-877-4646 while in the U.S. Non-bolded countries allow calls to the U.S. only. Bold denotes country-to-country calling availability. Calls to Singapore and Thailand not allowed. Δ FONCARD billing only. Use Global Calling "011" number & PIN. Global Calling rates apply. ◆ Wait for second tone. + Public phones may require coin or card. ✓ Available at most phones. ▲ Not available from pay phones. ◆◆ From pay phones, push red button, wait for tone, then dial "0116". ◇ Available only from specially marked phones. ‡ Available at military phones only. Ω Available from airports/seaports only. © 1995 Sprint

Sprint.

To order a free FONCARD
CALL COLLECT TO THE U.S.
212-248-0295

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.

THE AMERICAS

Gingrich Offers Partial Debt Pact

Speaker Urges Action On $100 Billion of Cuts

Compiled by Our Staff From Dispatches

WASHINGTON — After months of partisan battling over the budget, Newt Gingrich, the House speaker, offered an olive branch Wednesday, announcing that Republicans wanted to work out a partial budget deal with President Bill Clinton.

A White House spokesman said Mr. Clinton spoke by telephone with Mr. Gingrich and was intrigued by his new ideas. Mr. Gingrich made his offer the morning after Mr. Clinton gave a well-received State of the Union address criticizing the Republicans for standing in the way of a seven-year balanced budget pact.

"We do not believe it's possible right now to get to a budget agreement," Mr. Gingrich said of the attempt to end the deficit by 2002. But he said the Republicans now might go for a "down payment" of up to $100 billion in spending cuts both sides have already agreed to, along with a one-year child-tax credit and possibly some business tax breaks.

"We have agreed with the president on enough things. I think we can get to a down payment," Mr. Gingrich said at a Capitol Hill news conference.

Treasury Secretary Robert E. Rubin warned this week that the government would run out of money to pay Social Security and other bills by March 1, sending the United States into default for the first time.

Mr. Gingrich's proposed "down payment" would be tied to legislation to increase the $4.9 trillion debt ceiling.

"It's not a big deal, but it's a start," he said, adding that Republicans wanted to pass the measure well before the March 1 deadline.

In the meantime, the Republicans plan to pass a separate bill this week to fund the government through March 1, before a temporary spending bill expires Friday.

Expressing concern that the country might be facing recession, Mr. Gingrich said the debt bill should stimulate the economy by cutting taxes $29 billion.

In presenting his plan, Mr. Gingrich suggested Republicans were responding to new offers from Mr. Clinton. But Mr. Clinton broke no new ground in his address Tuesday evening, where he repeated his position that the White House and Republicans should approve cuts they have agreed on and leave major policy decisions on Medicare, Medicaid and welfare until later.

In addition, early poll results showed the public agreed with Mr. Clinton and perceived the Republicans as obstructionists on the budget. *(Reuters, AP)*

Win McNamee/Reuters

Prior to his speech, Mr. Clinton handed his principal political tormenter, Speaker Newt Gingrich, a joking note containing the words Mr. Gingrich had said he would most welcome hearing from Mr. Clinton: "Thank you and good night."

A Grim Night for Republicans

In His Address, Clinton Maximizes His Advantages

By David S. Broder
Washington Post Service

WASHINGTON — President Bill Clinton was longer and stronger than Senator Bob Dole, his possible re-election opponent, as they faced off in back-to-back television speeches that were, in effect, the first debate of the 1996 campaign.

The odds favored the president Tuesday night, who delivered his thoughts in the ceremonial splendor that surrounds the annual State of the Union address. Mr. Dole, responding for the Republicans from his Capitol office, drew the philosophical and political differences sharply but sounded flat and unemotional.

NEWS ANALYSIS

"Dole didn't look very hot," said Tim Hibbits, an independent pollster in Portland, Oregon. "He seemed old and tired. Republicans who want to beat Clinton may not think he's the guy who can pull it off."

A senior official in the last three Republican presidential campaigns, speaking anonymously, said, "Clinton did a great job. I think he'll get a bump up in the polls from this." Senator Dole, this consultant said, "came across as having no soul."

A second Republican public relations man called it "a pretty grim night" for the Republicans, adding that the president "took a lot of our issues and made them sound like his own."

The theatrics of the contest, as always, favored the president. He got to go first, with the leaders of all three branches of government, the military and the diplomatic corps gazing up at him from the floor of the House of Representatives, and with a cross-section of American heroes seated in the gallery. He radiated reasonableness throughout the speech, rarely alluding to his vetoes and stressing how eager he was to sign a balanced budget, a welfare reform bill and other measures.

That left it to Mr. Dole to make the Republican argument that "we have starkly different philosophies of government and profoundly different visions of America."

Despite his frequent allusions to youth and children and the future, Mr. Dole's body language and lackluster delivery seemed certain to keep alive his rivals' contention that, at 72, he is no match for the television-savvy Democratic president.

Dole Lashes Out at the President

Deriding Clinton, He Sets the Themes for His Own Candidacy

By Katharine Q. Seelye
New York Times Service

WASHINGTON — Delivering the Republican response to President Bill Clinton's State of the Union message, Senator Bob Dole tried to take from the president the mantle of "change," deriding Mr. Clinton as an elitist and "almost the last public defender of a discredited status quo."

Mr. Dole, the Senate majority leader and the front-runner for his party's presidential nomination, regarded Mr. Clinton's speech as "a signal that the race is on," and he used his response time to lay out far more forcefully than he has on the campaign trail the main themes of his own candidacy.

"We must rein in our runaway government," he said in a prepared address moments after the president's on Tuesday night, "return power to the people, reduce the tax burden, put parents back in charge of our schools, untie the hands of our police, restore justice to our courts and put our faith once again in the basic goodness, wisdom and self-reliance of our people."

In an unusually blistering assessment of the president, Mr. Dole said Mr. Clinton "shares a view of America held by our country's elites," which he characterized as "a nation of special-interest groups, united only by a dependence on government, competing with each other for handouts, held back by outdated values."

Mr. Dole stuck to his prepared remarks, even after hearing Mr. Clinton, which made him sound harsher than Mr. Clinton and somewhat out of sync with other Republicans, who complained that Mr. Clinton had preempted many of their themes.

As he spoke from his Senate office in the Capitol, before flags and a half-obscured oil painting of a forgotten senator, Mr. Dole gave a national television audience about 12 minutes to size him up as a potential commander in chief.

"I don't think Bob Dole matched Bill Clinton in eloquence or passion or in the breadth of ideas presented," said Patrick J. Buchanan, a rival of Mr. Dole's for the nomination who said that the party needed a candidate with his own ability to articulate a conservative vision.

More than halfway into the president's speech, Mr. Dole received an unexpected compliment from Mr. Clinton.

"I salute you," President Clinton said to Senator Dole and all other veterans of World War II. "And so do the American people."

The remark seemed risky in that it drew attention to Mr. Clinton's lack of military service, but at the same time it drew attention to Mr. Dole's age, 72.

Mr. Dole did not return the compliment, double-edged as it may have been. As Mr. Clinton made repeated bipartisan references to uniting the Congress and the country, Mr. Dole was bent on contrasting himself with Mr. Clinton.

Any "common ground" that the president wanted, Mr. Dole said, would remain elusive. The president, he said, "claims to embrace the future while clinging to the policies of the past."

For Mr. Dole, who has been accused by critics of caving in to Mr. Clinton to reach a budget deal, his message was partly an effort to distinguish himself from the president. It was also an effort to convince the conservatives he needs to capture the presidential nomination that he is committed to their goals, while reassuring the independents and Democrats that he is not an extremist.

"I have never gone in for dramatics," Mr. Dole, a five-term senator, said in something of an understatement. "But I do believe we have reached a defining moment."

POLITICAL NOTES

House Passes Defense Bill

WASHINGTON (AP) — The House of Representatives passed a new version of the defense authorization bill Wednesday after Republicans removed a requirement to develop a national missile defense system and other proposals opposed by President Bill Clinton.

The White House, while encouraged by the Republican concessions, was bothered that the bill retained a provision requiring the discharge of members of the armed services who have the AIDS virus. And a new obstacle arose in the Senate, where Democrats threatened to hold up the bill until they extract a promise from Republican leaders to vote on a separate arms-reduction treaty.

The $265 billion measure passed by a 287-to-129 vote, and Senate action was expected before the weekend.

The Republicans agreed to strip out other provisions objectionable to Mr. Clinton, including a proposal to limit the president's power to put troops under United Nations command and a requirement that the president seek congressional backing for even limited troop deployments.

A senior White House official said the removal of "the three main issues that had led to the president's earlier vetoes" was good news, but other "second-tier issues" remained, such as the discharge from the armed forces of people with HIV. *(AP)*

Broadcasters Wriggle

NEW YORK — Executives in the broadcast industry have said that they would welcome the opportunity to meet with President Bill Clinton to discuss ways to improve television programming. But they reacted uncomfortably to being thrust back into the political spotlight by the president.

In his State of the Union Message, Mr. Clinton called on media companies to "create movies, CD's and television shows you would want your own children and grandchildren to enjoy." The president also invited the leaders of media and entertainment companies to meet with him at the White House next month "to work with us on concrete ways to improve what our children see on television." A senior executive at one of the broadcast networks, who spoke on condition of anonymity, said: "How can you ever turn down an opportunity to discuss an important issue with the president of the United States? Of course, we'll take him up on his offer."

But the executive said it would be difficult for the White House and industry to fashion a mutually acceptable method of dealing with television violence in an election year.

"Say we could reach an accommodation with Bill Clinton," the executive said, "Would that ever be enough for Bob Dole?" Senator Dole has also made an issue of violence in television and other entertainment in his campaign for the Republican presidential nomination. *(NYT)*

O'Leary Hearing Delayed

WASHINGTON — The House panel investigating the travel expenses of Energy Secretary Hazel R. O'Leary has postponed a hearing set for Thursday following the delivery of thousands of pages of travel documents from the Energy Department.

Representative Joe Barton, Republican of Texas and chairman of the Commerce Committee's oversight panel, complained Tuesday that he was forced to postpone the hearing so his staff could go through the voluminous records, many of which he said he requested in mid-November.

"It's better to delay the hearing so we can talk about specific issues, contracts and decisions that were made," Mr. Barton said. "I think she's going to have a very difficult time defending the style, length, cost and number of people on some of these trips."

Mrs. O'Leary has been under fire because of press and government reports about the cost of more than 100 foreign and domestic trips that she has made as secretary. *(WP)*

Quote/Unquote

Senator Richard G. Lugar of Indiana, a candidate for the Republican presidential nomination, on President Bill Clinton's State of the Union address: "The speech was so partisan, it sounded like an acceptance speech at the Democratic National Convention in August."

Environment-Bashing Could Cost Republicans at Polls

By Gary Lee
Washington Post Service

WASHINGTON —A leading Republican pollster is warning party leaders that trying to cut spending on the environment and roll back environmental laws could cost Republicans dearly at the polls in November.

"Attacking the Environmental Protection Agency is a nonstarter," concluded a report by a leading party pollster, Linda DiVall. "Republicans should be emphasizing the safeguarding of reasonable and balanced environmental protection done in a more efficient manner."

The survey was made known amid signals that President Bill Clinton and Democratic congressional candidates plan to underscore their support for a strong federal role in environmental protection. By more than 2 to 1, respondents to the survey said they have more confidence in the Democrats than the Republicans as the party that will protect the environment.

The survey was commissioned by the Superfund Reform Coalition, a business organization seeking to reduce the costs, imposed on industry by the Superfund law, of cleaning up toxic waste sites. Congressional sources provided a copy of the report to The Washington Post.

The survey found strong backing for federal laws that protect the environment. Forty-six percent of respondents said no changes should be made in the 1972 Clean Water Act, the blueprint for combating pollution in the nation's lakes and rivers. Respondents also expressed support for federal statutes protecting endangered species and supplies of drinking water.

During the last year, Republicans in Congress have advanced legislation to reduce controls imposed on business in the Clean Water Act, the Superfund statute and the Clean Air Act. They also pushed for a one-third cut in the Environmental Protection Agency budget, although they are now seeking a smaller reduction. Republican lawmakers also have threatened to cancel some environmental programs by not providing funding for them.

The responses to the survey suggest that such positions will not be popular. "A large plurality would vote against a member of Congress who voted to cut back EPA spending by one third," said the 13-page summary of the survey.

While a majority of survey respondents said they believe there is too much government regulation, most said that sentiment did not apply to environmental regulation.

Whitewater Probe Shifts to Links Between Clintons and S&L Owner

By Stephen Labaton
New York Times Service

WASHINGTON — The Senate Whitewater committee has begun a new phase of its inquiry, taking up the relationship more than a decade ago between James B. McDougal, the owner of a troubled Arkansas savings and loan association, and his business partners in the Whitewater real estate deal, Bill Clinton and his wife, Hillary.

As their first witness for the new area of inquiry, the Republicans called William Lyon, a businessman and the mayor of Fordyce, Arkansas, whose testimony was hobbled by his failure to remember important dates and challenges by Democrats over several notable inconsistencies.

Mr. Lyon testified that in the early 1980s he was asked to resign from the state bank board by Mr. Clinton, then governor of Arkansas, a few months after refusing a request from Mr. McDougal to be reassigned to the state savings and loan board, so that he could vote to approve a preferred stock offering for Madison Guaranty, Mr. McDougal's savings association.

"I didn't say 'no,' I said 'Hell, no!' " Mr. Lyon said, referring to his response to Mr. McDougal's request. "Mr. McDougal was not basically going to tell me what to do or how to vote."

Mr. Lyon said Mr. Clinton called a few months later and asked for his resignation, saying he needed the seat to give to another person.

"He was a super nice man," Mr. Lyon said of Mr. Clinton. "He told me simply that Jim had said I would resign if he asked me."

Mr. Lyon also testified that Mr. McDougal had told him that Mrs. Clinton, who was then a partner at the Rose Law Firm in Little Rock, had been working on trying to gain state approval for Madison to raise badly needed capital through the sale of the new class of preferred stock.

But the Democrats, pointing to records from the time as well as to the testimony of other witnesses, brought out several significant discrepancies in Mr. Lyon's account.

Most notably, Mr. Lyon said he had been asked to vote to approve the preferred stock offering in the spring of 1985, which records showed was more than a year after he had resigned from the bank board.

Records and other testimony also indicated that neither Mrs. Clinton nor any other lawyers in her firm worked on the matter until more than a year after Mr. Lyon was asked by Mr. Clinton to step down from the banking commission.

Mr. Lyon's testimony was also marked by significant memory lapses.

At several points he was unable to recall when he had stepped down from the state bank board, or precisely when he had the conversations he said he had with Mr. McDougal and Mr. Clinton.

At one point, Mr. Lyon appeared confused about the committee he was appearing before, asking whether it was the Senate Whitewater committee or the Whitewater independent counsel. At another point he lashed out at his questioners, calling them "Gestapo."

Away From Politics

•A California woman has made medical history in the United States by giving birth to quintuplets who are believed the first to be born with all of them in good health. Patty Shier, 35, and her husband, Scot, are the parents of the three girls and two boys, delivered at a hospital in Long Beach. *(AFP)*

•Groundwater has leaked into the new Ted Williams Tunnel under Boston Harbor, and toll collectors sickened by fumes have donned gas masks. The water has been draining into air ducts beneath the road surface and does not compromise safety, and the fumes, while unpleasant, are also not dangerous, officials at the $1.9 billion project said. *(AP)*

•A man who killed a store clerk was executed in Virginia by injection after a 22-minute delay to allow medical personnel to find a vein large enough for the needle. *(AP)*

Simpson Gets the 'Hard Questions'

Lawyer for His Slain Former Wife Alleges Inconsistencies

By William Claiborne
Washington Post Service

LOS ANGELES — Nearly four months after he walked out of court a free man, O.J. Simpson finally was compelled to account under oath for his movements the night his former wife, Nicole Brown Simpson, and her friend, Ronald L. Goldman, were slashed to death outside her home on June 12, 1994.

Mr. Simpson answered questions Tuesday for the second consecutive day behind closed doors in an attorney's office in a deposition for wrongful death civil lawsuits filed by the victims' families. Monday's session focused mainly on events well before and after the murders. Mr. Simpson did not testify at the criminal trial against him, in which he was found not guilty, and thus has never had to explain in detail what he was doing at the time of the slayings.

Mr. Goldman's father, Fred Goldman, said that the plaintiffs had waited a long time "to ask all of the hard questions" and that he was "more than pleased with the results so far." He declined to discuss details of the deposition.

[A lawyer involved in the case said that Mr. Simpson was caught in a number of inconsistencies when asked about his whereabouts on the day his former wife and her friend were killed, The Associated Press reported from Los Angeles.

[John Q. Kelly, who represents Nicole Brown Simpson's estate, said the inconsistencies related to "time frames, time line, how certain things occurred."

["We have heard answers that have not been consistent with things that have been put out in the past," Mr. Kelly said, alluding to claims by Mr. Simpson's defense team during the criminal trial.]

The American University of Paris
presents. the fifth annual seminar on

NEGOTIATION

conducted by professors
Deborah M. Kolb & Bruce M. Patton
of

THE PROGRAM on NEGOTIATION at HARVARD LAW SCHOOL

- Effective training in negotiation techniques and dispute resolution for senior management
- Lectures, demonstrations and exercises, conducted in English

Paris: March 21 & 22, 1996
Contact: The American University of Paris
Tel.: (33-1) 47.20.44.99 Fax: (33-1) 47.20.45.64
email: 75162.1003@compuserve.com

Now you too can listen to NPR® and PRI® 24 hours a day.

Start the new year with a new listening habit. Now you can hear 24 hours of National Public Radio® and Public Radio International® every day on the America One channel. America's quality, independent radio can be heard on Astra 1B, Channel 22, 11.538 GHz (VH-1), V-Pol., Audio Subcarrier 7.74 MHz.

America One weekday schedule (all times CET)

0500	All Things Considered®
0830	Dialogue (Mon) Marketplace (Tue-Sat)
0900	National Press Club (Mon) PRI's The World® (Tue-Sat)
1000	Bridges (Mon) Fresh Air®(Tue-Sat)
1100	Monitor Early Edition®
1200	Morning Edition®
1500	Monitor Radio®
1600	The Diane Rehm Show
1800	Monitor Radio
1900	Le Show®(Mon) To the Best of Our Knowledge® (Tue-Thu) City Arts of San Francisco (Fri)
2000	Talk of the Nation®
2100	PRI's The World
2200	All Things Considered
0000	Talk of the Nation
0100	Marketplace
0130	Fresh Air
0230	Monitor Radio
0330	Marketplace
0400	Talk of the Nation

AMERICA ONE™

Now, finally, you can listen too.

TM stations and cable companies interested in carrying America One? Call Larry Sherwin at +49.89.930.5353 E-mail us at americaone@prl.org. America One is supported in part by Wellington Management Company.

ASIA

Chinese Let the U.S. Know They Are Deadly Serious About Taiwan

By Patrick E. Tyler
New York Times Service

BEIJING — The Chinese leadership has sent unusually explicit warnings to the United States that China has completed plans for a limited attack on Taiwan that could be mounted in the weeks after Taiwan's president, Lee Teng-hui, wins the first democratic balloting for the presidency in March.

The purpose of this saber-rattling is apparently to prod the Clinton administration to rein in Taiwan and Mr. Lee, whose push for greater international recognition for the island of 21 million people has been condemned here as a drive for independence.

While no one familiar with the threats thinks China is on the verge of risking a catastrophic war against Taiwan, some China experts fear that the Taiwan issue has become such a test of national pride for Chinese leaders that the danger of war should be taken seriously.

A U.S. official said the administration had "no independent confirmation or even credible evidence" that the Chinese are contemplating an attack, and spoke almost dismissively of the prospect.

"They can fire missiles, but Taiwan has some teeth of its own," the official said. "And does China want to risk that and the international effects?"

The most pointed of the Chinese warnings was conveyed recently through a former assistant secretary of defense, Chas. W. Freeman Jr., who traveled to China this winter for discussions with senior Chinese officials.

On Jan. 4, after returning to Washington, Mr. Freeman informed President Bill Clinton's national security adviser, W. Anthony Lake, that the People's Liberation Army had prepared plans for a missile attack against Taiwan consisting of one conventional missile strike a day for 30 days.

This warning followed similar statements relayed to administration officials by John W. Lewis, a Stanford University political scientist who meets frequently with senior Chinese military figures.

The warnings do not mean that an attack on Taiwan is certain or imminent. Instead, a number of China specialists said that China, through "credible preparations" for an attack, hopes to intimidate Taiwan and to influence U.S. policy toward the island.

The goal, these experts said, is to force Taiwan to abandon the independence campaign initiated by Mr. Lee, including his effort to have Taiwan seated at the United Nations, and to end high-profile visits by Mr. Lee and other top officials to the United States and other countries.

But if the threats fail to rein in Mr. Lee, a number of experts said that China could resort to force, despite the enormous consequences for its economy and for political stability in Asia.

Since last summer, when the White House allowed Mr. Lee to visit the United States, the Chinese leadership has escalated its attacks on him, accusing him of seeking to "split the motherland" and undermine the "one China" policy that had been the bedrock of relations between Beijing and its estranged province since 1949.

A Foreign Ministry spokesman, asked to comment on reports that the Chinese military has prepared plans for military action against Taiwan, said he was awaiting a response from his superiors.

But last month, a senior Foreign Ministry official said privately that China's obvious preparations for military action had been intended to head off an unwanted conflict.

"We have been trying to do all we can to avoid a scenario in which we are confronted in the end with no other option but a military one," he said. He added that if China did not succeed in changing Taiwan's course, "then I am afraid there is going to be a war."

Mr. Freeman described the most recent warning during a meeting Mr. Lake called with nongovernmental China specialists.

Participants said that Mr. Freeman's presentation was arresting as he described being told by a Chinese official of the advanced state of military planning.

Mr. Freeman said that preparations for a missile attack on Taiwan had been completed and awaited a final decision by the Politburo.

One of the most dramatic moments came when Mr. Freeman quoted a Chinese official as asserting that China could act militarily against Taiwan without fear of intervention by the United States because U.S. leaders "care more about Los Angeles than they do about Taiwan," a statement that Mr. Freeman characterized as an indirect threat by China to use nuclear weapons against the United States.

An account of the White House meeting was provided by some of the participants. Mr. Freeman, reached by telephone, confirmed the gist of his remarks, reiterating that he believed that while "Beijing clearly prefers negotiation to combat," there is a new sense of urgency in Beijing to end Taiwan's quest for "independent international status."

Mr. Freeman said that Mr. Lee's behavior in the weeks following his reelection will determine whether Beijing's Communist Party leaders feel they must act "by direct military means" to change his behavior.

In recent months, Mr. Freeman said, he had relayed a number of warnings to U.S. government officials.

He said he had quoted a senior Chinese who told him that China would sacrifice "millions of men" and "entire cities" to assure the unity of China and who said that the United States would not make comparable sacrifices.

He also asserted that "some in Beijing may be prepared to engage in nuclear blackmail" against the United States to ensure that Americans did no obstruct efforts by the People's Liberation Army "to defend the principles of Chinese sovereignty over Taiwan and Chinese national unity."

Some specialists at the meeting wondered if Mr. Freeman's presentation was too alarmist and suggested that parliamentary elections on Taiwan in December had resulted in losses for the ruling Nationalist Party and that Mr. Lee appeared to be moderating his behavior to avoid a crisis.

"I am not alarmist at this point," said one specialist, who would not comment on the substance of the White House meeting. "I don't think the evidence is developing in that direction."

Other participants in the meeting, who said they would not violate the confidentiality pledge of the private session, separately expressed their concern that a potential military crisis was building in the Taiwan Strait.

"I think there is evidence to suggest that the Chinese are creating at least the option to apply military pressure to Taiwan if they feel that Taiwan is effectively moving out of China's orbit politically," said Kenneth Lieberthal, a China scholar at the University of Michigan and an informal adviser to the administration.

Mr. Lieberthal, who also has traveled to China in recent months, said Beijing has redeployed forces from other parts of the country to the coastal areas facing Taiwan and set up new command structures "for various kinds of military action against Taiwan."

"They have done all this in a fashion they know Taiwan can monitor," he said, "so as to become credible on the use of force."

"I believe there has been no decision to use military force," he continued, "and they recognize that it would be a policy failure for them to have to resort to force; but they have set up the option, they have communicated that in the most credible fashion and, I believe, the danger is that they would exercise it in certain circumstances."

Several experts cited their concern that actions by Congress in the aftermath of Mr. Lee's expected election could be a critical factor contributing to a military confrontation.

If Mr. Lee perceives that he has a strong base of support in the U.S. Congress and presses forward with his campaign to raise Taiwan's status, the risk of a military crisis is greater, they said. A chief concern is that Congress would seek to invite him back to the United States as a gesture of support. A Chinese military leader warned in November that such a step could have "explosive" results.

In recent months, U.S. statements on whether American forces would come to the defense of Taiwan if attacked have been deliberately vague so as to deter Beijing through a posture of what the Pentagon calls "strategic ambiguity."

Some members of Congress assert that the Taiwan Relations Act of 1979 includes an implicit pledge to defend Taiwan if it is attacked, but administration officials say that, in the end, the decision would depend on the timing, pretext and nature of Chinese aggression.

The basis for such a confrontation already may have been laid.

Last year, the Senate passed a State Department authorization bill that would require the president of Taiwan to be admitted again to the United States "with all appropriate courtesies" and mandates other actions that, if enacted into law, would set off a major new eruption in U.S.-Chinese relations.

"There is some risk that the understanding in Taipei is that they can move faster toward independence and, with their friends in Congress, promote an invitation for Lee Teng-hui to go to Washington after a presidential victory in March and that they can do so with impunity," Mr. Lieberthal said.

"And there may be a perception in Beijing that if they use military pressure on Taiwan, the United States will not respond in any effective manner.

"If both sides hold those perceptions," he continued, "then the chances of a crisis loom large and the administration should be acting now, through diplomatic contact in Taipei and Beijing to reduce the chances of a crisis that has no good outcome for any of the parties," he said.

A New Air of Candor For Japanese Politics

Opposition Salvo Spells Change

By Mary Jordan
Washington Post Service

TOKYO — The prime minister who just stepped down was the most "irresponsible" in modern Japanese history. The nation's leaders have put forth a "shameful" budget, and the move afoot to ban religious groups from politics is "an outrageous act, like fascism."

So much for polite Japanese politics.

In a speech to Parliament on Wednesday, Ichiro Ozawa, the man who would like to become the next prime minister, essentially kicked off the campaign season with those epithets. And the country of backroom politics and understated, if stated at all, disagreements may never be exactly the same.

A general election must be held before July 1997, and many expect it to be called well before then. As was clear from Mr. Ozawa's opening salvo Wednesday, the race is on between Mr. Ozawa, the opposition leader, and the new prime minister, Ryutaro Hashimoto, and the Japanese may now see a more open debate over issues and personalities.

One reason for the change is that each man has a powerful base, and neither is a figurehead for some strongman behind the scenes — the pattern in the past.

Mr. Ozawa, head of the New Frontier Party, is actually talking about specific new policies, including cutting the income tax in half and gradually increasing the sales tax to 10 percent, from 3 percent. Mr. Hashimoto, president of the Liberal Democratic Party, is more vague, but nonetheless he is saying that "many changes are needed in every aspect of Japanese society."

"For a long time, we just had one party ruling, like a dictatorship," said Masaaki Sunda, 57, a shop owner. "Now, we have something more like a two-party system. It's healthier."

Other voters, while skeptical that either candidate will actual make any difference in their lives, said they welcomed a choice. Ayako Yamazaki, 42, said that for years she supported "in principle" the ruling Liberal Democratic Party, which held a lock on Japanese politics for nearly four decades. But because she valued differing ideas, Mrs. Yamazaki said, "I always voted for the non-LDP candidate."

On Wednesday, Mr. Ozawa called for immediate elections, saying the "will of the people" must be heard. Mr. Hashimoto, who became head of government only two weeks ago when Prime Minister Tomiichi Murayama resigned unexpectedly, contends that Japan had too many problems facing it right now to create "a political vacancy" while its leaders went campaigning.

During Mr. Ozawa's speech, Mr. Hashimoto listened patiently as other members of parliament frequently applauded and occasionally jeered.

The opposition leader criticized Mr. Hashimoto for not being clear about Japan's bid to get a permanent seat on the United Nation Security Council. Afterward, Mr. Hashimoto took the floor and criticized Mr. Ozawa's talk of a new "police force" for UN peacekeeping efforts. "I think perhaps my view is different with the honorable" Mr. Ozawa, Mr. Hashimoto said.

Mr. Ozawa has long said that Japan must contribute its own troops to world peacekeeping missions — a controversial topic in a country still haunted by its military adventures in World War II. Mr. Ozawa argues that Japan must become more involved in international affairs. By not settling for being an insular economic powerhouse, Japan will become more of a "normal nation," he contends.

He told Parliament he plans to help jump-start the economy with huge government investments in the development of new technology and superconductivity and computerized information networks. He wants "education reform" to promote creativity and "humanity" among students, moving away from a strict focus on examinations. His platform also includes a shorter work week and a national effort to employ women after they have children.

If Mr. Ozawa is a reformer, Mr. Hashimoto is a renovator.

Mr. Hashimoto's ideas are not nearly as specific or as bold. In his response to Mr. Ozawa on Wednesday, as in earlier speeches, he shied from commitments, saying things such as he will "take a hard look" at raising the consumption tax. Without saying how, he said a "thorough deregulation" of the financial system is needed.

Mr. Hashimoto's biggest headache is his pledge to use more than $6 billion in taxpayer's money to bailout housing lenders. Mr. Ozawa demanded Wednesday that the expenditure be eliminated immediately from the current budget.

U.S. Reassures East Asians On Security

By Michael Richardson
International Herald Tribune

SINGAPORE — In an attempt to allay concerns in East Asia that the United States is distancing itself from security problems in the region, a senior U.S. official said Wednesday that Washington was tracking China's military buildup.

The day after Beijing denied that it was negotiating with a Spanish shipbuilder to buy an aircraft carrier, Winston Lord, the U.S. assistant secretary of state for East Asian and Pacific Affairs, said America was "watching, as others are, China's military buildup, including its projection capabilities near its borders."

Mr. Lord, who was in Manila at the end of a tour of six East Asian countries, made it clear he was referring to Taiwan, which China regards as a renegade province, and the South China Sea, where Beijing has competing claims to ownership of the Spratly Islands with Taiwan, Vietnam, Malaysia, Brunei and the Philippines.

He said that Washington's interest in the China's military modernization program did not mean that the United States considered China to be a threat.

"We are not out to contain China," Mr. Lord said. "We are out to engage China diplomatically, economically and even in military talks." The goal, he said, was to help build understanding and trust in the Asia-Pacific region.

Nonetheless, analysts said that the timing and tone of his comments were clearly intended to reassure East Asian countries worried about China that Washington remained involved in regional security."

Mr. Lord's comments followed an announcement Tuesday by the U.S. Embassy in Singapore that America's B-2 Stealth bomber would make its first deployment in Asia next month."

Two of the long-range, radar-evading aircraft will fly from the United States, where they are based, to Guam, and one will take part in the Asian Aerospace show in Singapore on Feb. 6.

An embassy statement quoted Brigadier General Ronald Marcotte, commander of the U.S. 509th Bomber Wing, as saying that sending the B-2 to the region would provide realistic training for crews and maintenance staff.

"It's extremely important for us to develop, establish and exercise our ability to deploy anywhere in the world on short notice," he said.

Beijing claims some of the large oil and natural gas deposits being developed by Southeast Asian countries in the South China Sea, which also contains sea lanes that are vital to the United States, Japan and other Pacific nations.

Officials in the Asia-Pacific region have expressed concern that increasing preoccupation of the White House and Congress with the budget deadlock and the presidential election campaign will result in diminished American interest in East Asian security problems.

Eddie Siddi/The Associated Press

Supporters at the Taipei campaign office Wednesday of President Lee Teng-hui. He is pictured, left, in a poster with his running mate, Lien Chan.

Failed Bank's Auditor Kills Himself in Japan

Reuters

TOKYO — An auditor at the only Japanese bank to fail since World War II hanged himself at his parents' home, the police said Wednesday..

They said that Kazuyuki Toda, 52, deputy chief of the audit department of Hyogo Bank in Kobe, had left a note saying, "I struggled and am sorry that it came to this."

Mr. Toda's bank was forced to close in August after a run by depositors concerned about bad loans. Mr. Toda had been assigned to study the bank's failure, for which he was not held responsible.

CHINA: *Report Denied*

Continued from Page 1

weapons to Taiwan, its bitter rival since the end of a civil war in 1949.

The United States has not formally stopped selling weapons to Taiwan, but some officials fear Washington may slow sales to prevent a worsening of its ties with Beijing.

The New York Times reported Wednesday that senior Chinese officials had warned a visiting former assistant secretary of defense that China would launch a sustained missile attack on Taiwan if it did not end its drive for independence.

While an attack by China on Taiwan would be a serious source of conflict in East Asia, countries in the region would not side with Taipei against Beijing, officials and analysts told Michael Richardson of the International Herald Tribune on Wednesday.

"Of course, we would not like to see China attack Taiwan, but all of the countries in this region recognize Beijing as the government of one China that includes Taiwan," a Malaysian official said. "So what could we do in a situation where Beijing said it had been provoked beyond endurance?"

Analysts said that China's rapidly increasing weight as a regional power would also ensure that there was little effective support for Taiwan.

Juwono Sudarsono, vice governor of the Indonesian Defense College, said it was "understandable" that China would engage in saber-rattling against Taiwan following clear signs that Taiwan leaders were pushing for greater international recognition for the island with some U.S. support.

"This is a very emotive issue for China's leaders," he said. "It involves national pride and sovereignty."

BRIEFLY

Paris Denies Danger At Nuclear Test Site

PARIS — France on Wednesday shrugged off news of radiation leakage at its South Pacific nuclear test site, insisting there was no environmental danger. But Greenpeace seized on the disclosure to again demand a halt to French testing.

"There is no harm of any kind regarding the environment on the atoll linked to the French nuclear testing and we have a lot of evidence on that," said the Foreign Ministry spokesman, Yves Doutriaux.

Greenpeace demanded Paris "fully disclose the contamination data and to immediately stop all further nuclear tests." *(AP)*

Pakistan May Sue U.S.

ISLAMABAD, Pakistan — The government said Wednesday that it would consider legal action if the United States failed to refund $658 million paid for 28 F-16 fighter planes that have been withheld since 1990 because of U.S. suspicion of Pakistan's nuclear plans.

Defense Minister Aftab Shaaban Meerani told Parliament that the two sides would discuss the issue again in March. *(Reuters)*

Indian Politician Slain

NEW DELHI — A leader in India's governing Congress (I) party was shot and killed Wednesday after a senior official said the first legislative elections in nine years in the troubled state of Kashmir would be held "shortly."

Sheikh Gulam Rasool, 44, was shot by unidentified militants near his sister's house in Nowpora district of Srinagar, Kashmir.

Election Commissioner G.V.G. Krishnamurthy had said, "We are for restoration of democracy in Jammu and Kashmir shortly, subject to ground realities."

Seoul Charges North

SEOUL — North Korea is operating kidnapping squads targeting South Korean diplomats, businessmen and students abroad, Seoul's main spy agency said Wednesday. The Agency for National Security Planning said it foiled a recent North Korean attempt to kidnap five South Korean businessmen in an unidentified Asian country.

"We expect such attempts to continue in the future," it said in a statement, adding that it has warned South Koreans abroad to be more vigilant. *(AP)*

Trial Stays in Okinawa

TOKYO — Japan's Supreme Court refused Wednesday to move the trial of an American serviceman accused of raping a schoolgirl off Okinawa, the island where the rape took place.

The ruling clears the way for final arguments to be heard against Private First Class Kendrick Ledet and the two other U.S. servicemen accused of raping the 12-year-old girl last September.

The next hearing was scheduled for Jan. 29 in Naha District Court. *(AP)*

Cambodia Fight Rages

PHNOM PENH — Government troops suffered heavy losses as they continued their drive against Khmer Rouge guerrillas entrenched at five strongholds in northwestern Cambodia, a military official said Wednesday.

Intense fighting near the guerrilla base of Kla Ngorp has left at least 24 government soldiers killed and 76 wounded or missing.

The Communist Khmer Rouge have suffered 41 killed and 39 wounded in the same battle, 300 kilometers (185 miles) northwest of Phnom Penh, said the official, who demanded anonymity. *(AP)*

VOICES From Asia

Elizabeth Evatt, Australia's representative to the United Nations Human Rights Commission, calling for a Bill of Rights to protect Australia's 300,000 Aborigines: "What's at stake here involves violations of the most fundamental rights, the right to life, the right to liberty and freedom from cruel treatment, the right to justice and equality." *(Reuters)*

H.V. Subramaniam, director of Capital Advertising of India, a state-run firm that withdrew an newspaper advertisement that appeared to praise Hitler: "We were in no way eulogizing or condoning a character like Hitler." *(Reuters)*

ESCORTS & GUIDES

BELGRAVIA ORCHIDS
LONDON PARIS CANNES MUNICH GENEVA ZURICH
Escort Agency Credit Cards Welcome
Int'l Travel Service Available
TEL: LONDON
0171 589 5237

SABLE INTERNATIONAL
Escort Service * London
0171 610 4041

EUROPEAN MODEL ESCORT SERVICE
Reservation worldwide: Throughout
FRANCE + ENGLAND + BENELUX
SWITZERLAND + ITALY + SPAIN
NORWAY + SWEDEN + GERMANY
DENMARK + AUSTRIA + JAPAN
HONG KONG + UNITED STATES
Office Vienna: + + 43-1-7962158
Office London: + + 44-(0)7000770411

INTERNATIONAL ESCORTS
Service - Worldwide
Free to travel anywhere
Tel: 212-765-7896 New York, USA
Major Credit Cards Accepted

INTERNATIONAL CLASSIFIED

(Continued From Page 7)

ARISTOCATS Escort Service
3 Shouldham St. London W1
0171 258 0090

CHELSEA ESCORT SERVICE.
51 Beauchamp Place, London SW3.
Tel: 0171-584 6513

VIENNA * PARIS * COTE D'AZUR
ZURICH * GENF * HIGH SOCIETY
International Escort & Travel Service
Vienna + + 43-1-535 41 04 all cards

•GENEVA PRETTY WOMAN
Geneva 022/3460089 Escort Agency
• MONTREUX LAUSANNE BASEL
• ZURICH LUZERN 01/4632234

••••••MILAN••••••
••• TOP CLASS ESCORT SERVICE •••
Tel: 39.105.188 mobile 0330 609670
SHOPPING "DINNER DATES" TRAVEL

MILAN*ROME*BOLOGNA*PARIS
Flor*Venice*Lugano*Munich*Vienna
Cote d'Azur*Heathrow Escort Service.
Tel: 3910 348 220 1862 credit cards

*VIENNA*PARIS*RIVIERA*MILAN*
FRANKFURT*ZURICH*BERLIN*ROME
EUROCONTACT Int'l Escort & Travel
Service. Call Vienna + 43-1-212 04 31

DÜSSELDORF*KÖLN
Bonn*Frankfurt*Mainz*Wiesbaden
Elegant & Educated Escort Agency
Just call toll free 0130 - 121 383

PARIS & LONDON
EXCLUSIVE, ELEGANT & EDUCATED
Escort Service London (171) 394 5145

MORRISON CLUB - VIENNA ESCORT
Service. 5, Rechte Wienzeile 7a.
0222/586 86 84.

AMSTERDAM*DREAMS*ESCORTS
dinner date service for Him and Her.
+31 (0)20-64 02 111 / 64 02 666

EXECUTIVE CLUB
LONDON ESCORT SERVICE
TEL: 0171 722 5008 Credit Cards

MUNICH*WELCOME
ESCORT & GUIDE AGENCY.
CALL 089-91 23 14 or 0172-970 1643

FRANKFURT-CITY
Gabi's Escort Service
069 - 25 25 20

** LONDON * CARIBBEAN **
LONDON/HEATHROW Escort Service
Tel: UK 0181 906 8082 CREDIT CARDS

JASMIN'S ESCORT SERVICE
LONDON 0171 935 0564
CREDIT CARDS ACCEPTED

CARIBBEAN/BRAZILIAN ANGELS
U.K. ESCORT SERVICE
(0171) 237 1331. Credit cards welcome

*** Olivia ***
Escort Service.
London 0171 376 1236, No cards

*GENEVA * PARIS*
BUTTERFLY Escort Service
Tel: 022 / 731 90 81

NATASHA MANN
LONDON ESCORT SERVICE
0171 352 1013

FRANKFURT - "TOP TEN"
ESCORT SERVICE
TEL: 069 - 597 4338.

•FRANKFURT•
High Class Escort Service
Tel. 069/17 39 92

•••••MADRID•••••
TAO ESCORT SERVICE
BEFORE MIDNIGHT. Tel: 316 10 92

TO OUR READERS IN HOLLAND
It's never been easier to subscribe for more information just call
020 673 0757

EUROPE

France Faces a Week of Labor Protests in February

By Craig R. Whitney
New York Times Service

PARIS — A month after the most disruptive strikes in a decade, French labor unions and the government are squaring off for new confrontations, even though some of the most controversial parts of the deficit-reduction plan that set off the unrest have been dropped.

The General Confederation of Labor called Wednesday for a week of national demonstrations, culminating on Feb. 11. The object is to force Prime Minister Alain Juppé, to withdraw what was left of his plan to reduce a $13-billion annual deficit in the state-run health insurance and pension system.

President Jacques Chirac, who left Wednesday for a three-day visit to rural southwestern France to test the grassroots mood in the wake of the strikes, said that the deficit-reduction plan would go forward on schedule. "I am pleased by the government's determination in putting in place the social security reform plan along the outlines and according to the schedule announced last November," Mr. Chirac told cabinet ministers before his departure.

On Wednesday the cabinet approved the most painful provision of the plan, an additional 0.5 percent tax on all incomes over the next 13 years to pay off the $50-billion debt that the health care system had accumulated so far in the 1990s. The tax will go into effect from February.

But Mr. Juppé had already withdrawn other provisions that provoked the three-week national transportation strike, notably a plan to make state employees and workers on the national railroads work 40 years like most people in the private sector before they can collect full retirement pensions.

Most state employees need work only 37½ years to retire, and generous special plans allow people like locomotive engineers on the state railroads to retire at almost full pay as early as age 50.

The government says it cannot go on indefinitely paying for such provisions with a budget deficit that rose to more than $64 billion, or 5 percent of gross domestic product, last year.

Mr. Juppé has vowed to cut that to less than 3 percent of gross domestic product by the end of next year. That is the deadline for countries that want to be part of a common European currency at the end of the decade to comply with a 3 percent upper limit on their deficits.

The prime minister's plan would make retired people pay increased health insurance premiums, but he has postponed other key proposals, including one to tax the family allowances that the government pays regardless of income to encourage people to have more children. A final decision is expected to be made after a national conference on families in March discusses ways of lessening the proposed tax's impact on the poor.

Last week, Mr. Juppé also substantially modified a proposal to fine doctors individually the equivalent of $320 a month for not keeping overall health expenditures in France last year from growing by less than 3 percent. The $200 million the fine was to have brought in was originally supposed to help the health insurance pay bills the government wants doctors to help bring under control.

Union leaders met with Mr. Juppé after the strikes in an attempt to develop a dialogue but made little progress.

The General Confederation of Labor, which is known as the CGT from its initials in French, said Wednesday that it was still insisting on the unconditional withdrawal of Mr. Juppé's plans and on the right of civil servants to retire after 37½ years.

Chirac to Warn Congress on Debt

Visiting U.S., He Will Cite Global Impact of a Default

New York Times Service

PARIS — The possibility that the deficit-cutting impasse between Congress and the Clinton administration could start causing the U.S. government to default on its debt next month has begun to sink in on European leaders, and the French are eager to avoid the turmoil that could result.

President Jacques Chirac, who will visit Washington next week, is prepared to warn in a speech to a joint session of Congress that default would upset economies around the world and deeply undermine the U.S. global position, according to French officials.

Congressional Republicans have threatened to refuse to raise the national debt limit unless the Clinton administration agrees to their agenda for cutting the federal deficit.

If the administration refuses to give in and fails to find other ways of coming up with money, the government could start running out of money to pay obligations due March 1.

At this point, some European leaders are said to be beginning to feel like onlookers at a political game whose players appear little concerned about the chaos a default would cause in international currency and bond markets.

Some see a situation comparable to that in 1975, when Chancellor Helmut Schmidt of West Germany felt compelled to warn President Gerald R. Ford that letting New York City go bankrupt could send economic shock waves around the world, which was still fragile from the effects of a sudden rise in oil prices.

Mr. Chirac told the Senate majority leader, Bob Dole, and the House speaker, Newt Gingrich, during his last visit to Washington in the summer that the United States gave too little foreign aid to developing countries, and French officials say that he plans to deliver the same message to Congress in an address planned for Feb. 1.

"We hope that Congress will be disposed to let the United States live up to its global responsibilities," an official in Paris said. Mr. Chirac will tell Congress, French officials say, that Europe, with about the same size economy as that of the United States, gives three times as much aid to developing countries — $31 billion, compared with less than $9 billion last year from the United States.

"Where is America and its traditional generosity, where is its desire to help reshape the world?" a French policymaker asked.

Mr. Chirac is also likely to use his visit to tell both Congress and the administration that France will insist on reshaping the NATO alliance to reflect changes since the end of the Cold War, according to officials in Brussels and Paris.

The president has reintegrated France into some NATO military structures that it left in 1966, but officials say he did so to push for the establishment of a stronger European defense arm within the alliance.

"We need to be able to deal with crises like Bosnia even if the United States doesn't want to become involved," an official said.

Mr. Chirac may also tell Washington that its plans to contribute $600 million to the reconstruction of Bosnia over the next three years are inadequate. European estimates of the total cost run to $3.7 billion.

"Don't think that the Europeans will be the only ones paying for Bosnian reconstruction," Mr. Chirac said in a recent interview, adding that the Europeans expected the United States to pay about the same as they will — about a third.

— CRAIG R. WHITNEY

Crucial Talks Held in Italy

Reuters

ROME — The hard-right leader Gianfranco Fini met the conservative media magnate Silvio Berlusconi, his chief ally, on Wednesday for what could be crucial talks on Italy's political crisis.

Mr. Fini is blocking a cross-party deal on constitutional and electoral reform and a new government that Mr. Berlusconi is trying to broker with the center-left. Mr. Berlusconi's stance is at odds with his partners in the Freedom Alliance coalition.

The alternative to a deal on reforms would be an immediate general election, an option that Mr. Fini and his National Alliance party, riding high in opinion polls, say is Italy's best way forward.

Joel Robine/Agence France-Presse
Prime Minister Juppé leaving a cabinet meeting Wednesday.

Polish Leader Resigns Over Spying Charge

Compiled by Our Staff From Dispatches

WARSAW — Prime Minister Jozef Oleksy resigned Wednesday hours after a military court opened an investigation into allegations that he had spied for Moscow.

Mr. Oleksy, a former Communist who had been prime minister for less than a year, announced in a televised speech that he was stepping down. He had resisted opposition calls for his resignation for weeks. The prime minister has denied the allegations against him, saying that they are politically motivated.

The military prosecutor's office said Wednesday that it had opened a formal inquiry into the allegations against Mr. Oleksy.

Under Polish law, the spying offenses being considered in the preliminary investigation carry a sentence ranging from five years in prison to death.

The allegations against Mr. Oleksy were made last month by the outgoing interior minister, Andrzej Milczanowski. He asserted that Mr. Oleksy had spied for Moscow from the time he was a provincial Communist official in the 1980s until 1995, when he was democratic Poland's Parliament speaker.

Mr. Oleksy and his party assert that the allegations were cooked up by Polish security agents on behalf of an opposition embittered over the defeat of President Lech Walesa in November. Mr. Walesa lost the election to a former Communist, Alexander Kwasniewski.

Colonel Walesa Pospiech, a spokesman for the military prosecutor, said that Mr. Oleksy was being investigated for allegedly passing "information to foreign intelligence and participating in foreign intelligence."

Reached at his office in Gdansk, Mr. Walesa said before the prime minister's announcement that he expected Mr. Oleksy to behave in an "appropriate way" and resign. Early parliamentary elections would "improve this uncomfortable political situation that we have today in Parliament," Mr. Walesa said.

Henryk Wujec, a spokesman for the Solidarity-based opposition party Freedom Union, said the investigation had created a "very serious political crisis."

Mr. Oleksy, 49, has acknowledged that he was friends with Vladimir Alganov, a Soviet citizen who later claimed to be a top KGB spy in Poland. But Mr. Oleksy has said he did not know that Mr. Alganov was a spy.

The prosecutor's office said that Mr. Alganov and his alleged successor as the KGB's top operative in Poland, Grigori Yakimishin, were also targets of its investigation.

(AP, Reuters)

BRIEFLY EUROPE

France Wants to Limit EU Presidency to 5

PARIS — The governing conservative party in France, Rally for the Republic, urged Wednesday that the rotating presidency of the European Union be limited to Britain, France, Germany, Italy and Spain and that the remaining 10 EU countries be excluded.

Pierre Lellouche, the deputy who led the parliamentary group that drafted the proposal, said: "The most effective solution would be to copy the UN Security Council formula." The presidency would rotate every two-and-a-half years, he said. The 15 EU member states now rotate the presidency for six-month terms.

Mr. Lellouche said he was aware the proposal would encounter opposition, but said there was a minimum requirement for "a European voice and a European face" in foreign policy and joint security. *(AFP)*

New Russian Plea

STRASBOURG — The leader of the Communist Party, Gennadi Zyuganov, asked Wednesday that Russia be admitted to the Council of Europe, saying a refusal would only help his country's extremists, nationalists and isolationists.

The plea to join the forum came one day before a crucial debate here on admitting the Russians, and one day after the Kremlin appealed for admission on the grounds that exclusion would help "terrorists" in the Chechen conflict.

Mr. Zyuganov, whose party came out on top in parliamentary elections last month, said that a new "iron curtain" would again divide Europe if the council rejected Moscow's bid. The council's Parliamentary Assembly will debate the issue Thursday. *(AFP)*

Talks in Turkey Stall

ANKARA — Turkey's political crisis continued when moves to form a conservative coalition government collapsed Wednesday.

The leader of the conservative Motherland Party, Mesut Yilmaz, said that his group would not take part in a coalition government led by the caretaker prime minister, Tansu Ciller.

"We have decided not to be a part of a government led by a prime minister who has brought Turkey to a very unpleasant situation today," he said. *(AFP)*

Calendar

EU events scheduled for Thursday:

BRUSSELS: The agriculture commissioner, Franz Fischler, meets the Norwegian agriculture minister, Gunhild Oyengen.

BRUSSELS: The energy commissioner, Christos Papoutsis, meets the head of Elf-Aquitaine, Philippe Jaffre.

Sources: Agence Europe, AFP

GI Is Ousted In Rift Over UN Insignia

The Associated Press

WURZBURG, Germany — A court-martial convicted a U.S. Army medic Wednesday of disobeying an order because he refused to wear a United Nations beret and shoulder patch for a peacekeeping mission in Macedonia.

Specialist Michael New, 22, of Conroe, Texas, was given a bad-conduct discharge.

He is the first member of the U.S. armed services court-martialed for refusing to wear UN insignia or to accept foreign command on a UN operation.

The case, which began Oct. 10 when Specialist New appeared in formation without the required UN gear, has attracted notice in the United States from conservatives who oppose placing American armed forces under UN command.

The Senate majority leader, Bob Dole, has joined 100 members of Congress in backing a bill to make it illegal to order U.S. military personnel to wear the UN insignia.

EUROPEAN TOPICS

German Ex-Communists Find a Graveside Role

The funeral was a sad affair. The man, an East German, had died at 44 of cirrhosis of the liver. His troubles had begun with the end of communism, said the principal speaker, a layman with a powerful voice. It wasn't that the man was unwilling to adapt, said the kind-looking orator, it was that the new society didn't want him.

By the end of the 20-minute discourse, most mourners were in tears. And the gray-haired speaker, Dieter Korf, who had not known the dead man, and who, until a few years ago, was a spy for the East German state, knew he had earned his 365 Deutsche marks ($247).

Calling on a former spy to speak at a loved one's funeral would seem an odd choice. But Mr. Korf is not alone, according to the weekly Der Spiegel. He is part of an association of some 100 secular funeral-orators-for-hire who are active in the former East Germany. They include other onetime Stasi spies, teachers and journalists, many tainted by their former Communist connections and unable to find other work.

Nor is it particularly strange that they should find a big market for mouths-for-hire. Even in the old days, people wanted a dignified ceremony, and often that involved a speech from a local party official. Today, many of those former officials are providing the same function, but with a capitalistic twist.

Around Europe

Transport planners in Edinburgh are thinking of going into the car-rental business in an effort to reduce city congestion. Inspired by a successful program in the German city of Bremen, they plan to buy a number of cars from residents in the city center, then rent them out for periods as short as an hour. Since many cars normally sit idle for up to 23 hours a day, there will be fewer cars, getting more use. The proposal before the Edinburgh council is to form cooperatives, with membership costing about £100 ($150) a year. Cars, which would be reserved much as one reserves a tennis court, would be rented for about £2.50 an hour.

The German program has been a big success, going in five years from 28 people sharing five cars to 800 using 48 cars, reports The Sunday Times of London.

Donni, a popular Bulgarian ballad singer, says he has been inundated with letters of support since calling for a national campaign to fight a growing crime problem. His "Let's Conquer Fear" campaign followed a recent series of violent incidents. The daily newspaper 24 Hours, noting the beating of a Chinese diplomat by a gang interested in his Mercedes, said it was becoming more dangerous to be an ambassador in Bulgaria than in Bosnia.

An Italian swindler who had eluded capture for a year and a half by posing as a monk was arrested this week, Naples police reported. Police said that Costante Drago, 34, had raised friars' eyebrows by his flashy lifestyle, including the hi-fi he had installed in his monk's cell.

Mr. Drago had been arrested in 1992 for a scam in which he posed as an aristocrat but escaped while under a police surveillance program. False references on stolen church stationery had helped him establish spiritual "credentials." Mr. Drago even acted as a guide during a visit in September by President Oscar Luigi Scalfaro.

International Herald Tribune

Knowledge Is Power

You've just attended an International Herald Tribune conference.

You've heard what speakers from the highest level of government, finance and industry think about the important issues affecting today's business world.

You've had the chance to speak with them directly.

You've made contacts that will enhance your business performance.

Perhaps you've made a deal.

Most of all, you've acquired the knowledge that just may give you the edge on your competition.

Isn't that what it's all about?

The Asia/Pacific conference agenda for 1996 includes the following events:

❑ THE 1996 WORLD TRADE CONGRESS
Singapore, *April 24-26*

❑ THE 1996 INDONESIA SUMMIT
Jakarta, *MAY 13-14**

❑ THE 1996 CHINA SUMMIT
Beijing, *September 25-26*

❑ THE 1996 INDIA SUMMIT
New Delhi, *December 4-6*

**Date to be confirmed.*

For further details, please telephone or fax:

Nicola Manley
International Herald Tribune, Asia/Pacific Conference Office,
7/F Malaysia Building, 50 Gloucester Road, Hong Kong.
Tel: (852) 29 22 11 08, Fax: (852) 29 22 11 00

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
THE WORLD'S DAILY NEWSPAPER

INTERNATIONAL

American Center in Paris Is Closing After 65 Years

By Alan Riding
New York Times Service

PARIS — The American Center, which for 65 years has served both as promoter and window of American culture in Paris, announced Wednesday that it had lost its economic battle for survival and would be forced to close and sell its new, ultramodern headquarters in the Paris district of Bercy.

Inaugurated just 19 months ago, the striking $41 million building designed by Frank Gehry was hailed at the time as an exciting symbol of American self-confidence and an important addition to the fast-changing Parisian landscape. But from the moment it opened, its $6 million annual operating cost was more than the center could afford.

One problem was that almost all the $42 million raised by selling the center's old headquarters on the Boulevard Raspail went on the new building, leaving it without an income-generating endowment. But the center, which received no U.S. government support, also discovered that many promises of corporate sponsorship made in the booming late 1980s were broken in the mid-1990s.

Last summer, the center's chairman, Frederick B. Henry, and its executive director, Marie-Claude Beaud, began warning that the building might have to close. They looked for an investor willing to buy it and rent it back to the center. They proposed a partnership with the Solomon R. Guggenheim Museum. And they tried to persuade U.S. corporations that an American cultural presence in Paris was worth saving.

But no reprieve was found.

"I think it is sad that, for all its economic problems, a country as rich as the United States is not willing to keep alive a place that is called the American Center," Miss Beaud said in a telephone interview shortly before she announced the planned closure to her 23-member staff. "I was very disappointed by the lack of response."

Founded in 1931, the center's Boulevard Raspail building was a frequent gathering-point for American expatriate artists and writers before World War II and in the late 1940s and 1950s. It also organized classes in English and modern American dance that were very popular with young French people. After it moved to Bercy, however, it focused principally on the promotion of avant-garde culture.

Even more of a problem, the Bercy district of eastern Paris lies far from many residential areas, while plans for an improved subway connection were postponed. Several Americans who expressed regret over the closure of the center admitted they had never visited its new building.

"They went crazy and built this palace in the middle of nowhere," said one longtime resident of Paris.

At least in name, however, the American Center will not disappear. A statement issued by its board said it planned to use the proceeds from the sale of the Gehry building "to establish a fund to support a variety of cultural and educational activities and programs, including direct grants." It also said the center would continue to view its principal mission as that of promoting American culture in an international context.

The statement noted that the building would close Feb. 12 and that funds were available to compensate staff members who will lose their jobs.

"This not a plan for the liquidation or termination of the center, but for its continuation in another form," Mr. Henry said, adding that the decision to close the Gehry building was made unanimously at a board meeting Tuesday afternoon.

Countdown for a Bug

Smallpox Virus Is to Be Destroyed

New York Times Service

NEW YORK — After several stays of execution, the smallpox virus is back on death row.

The governing board of the World Health Organization recommended Tuesday that the last two remaining stocks of the smallpox virus, in Russia and the United States, be destroyed by June 30, 1999, if the full membership of the health organization concurs at its annual meeting in May 1996. Destruction of the virus would mark the first time a species had been deliberately made extinct.

The virus was originally scheduled for destruction by Dec. 30, 1993, but it won stays of execution after some virologists said it should be preserved because recent scientific findings suggested that the smallpox virus might hold clues to other infections and diseases.

WHO declared smallpox eradicated in 1980 after a worldwide vaccination program. It is the only naturally occurring disease to have been wiped out.

Blast Kills 3 Bosnia Peackeeepers

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — At least three soldiers with the NATO-led peacekeeping force died and seven were wounded Wednesday when an explosion rocked a compound housing Italian and Portuguese troops, officials said.

The explosion was not a bomb or caused by any "aggressive action," said Major Simon Haselock, a Briton serving in the NATO force.

The North Atlantic Treaty Organization said the blast had been caused by "some form of unexploded ordnance."

The explosion occurred around 8:30 P.M. in a Sarajevo stadium used as a military base peacekeeping mission. It was the most serious military accident involving NATO forces since they began to arrive after the Bosnian peace accord was signed in December.

One Italian and two Portuguese were killed, Lieutenant Colonel Salvatore Iacono said. Six Italians and a Portuguese were wounded, the Italian officer said. One seriously wounded Italian soldier was to be evacuated by air to Rome on Wednesday night. Five of the wounded were reported to be slightly injured.

In Rome, a Defense Ministry spokesman, Colonel Mario Fatone, identified the Italian soldier who was killed as Corporal Gerardo Antonucci.

Before the accident Wednesday, one soldier had died and 28 had been wounded in the Balkans since NATO troops started deploying there last month. The death was that of a British soldier who committed suicide at Christmas. Most of the injuries were caused by land mine explosions or shooting accidents. One Italian soldier was hit by sniper fire.

The explosion occurred amid concern over possible attacks against NATO forces in Bosnia. Fear of car-bomb attacks and concerns about a former U.S. Army special forces soldier led to a heightened state of alert at NATO bases, officials said Wednesday.

The alert was reported Tuesday by the command of the NATO-led force overseeing a peace deal for Bosnia. It said that guards and security officers had been cautioned against letting a black in his 30s named Kevin Holt on any base.

Also, an American connected with NATO said Wednesday that U.S. soldiers had seen a car with a group of soldiers suspected of being mujahidin fighters parked Monday near the Tuzla air base.

In Washington, Defense Secretary William J. Perry confirmed that American troops in Bosnia were on a high alert, but said he knew of "no reports of any terrorist or extremist actually trying to get into U.S. facilities."

Asked about Mr. Holt, he said Wednesday there was "one American who may be in the area as a potential terrorist — that's exactly the concern that we have had from the beginning" of the U.S. deployment to the Balkans.

But officials in Tuzla, who spoke on condition of anonymity, said the danger may have been overblown by a military chain of command in which officers are filing multiple reports to cover themselves in case something goes wrong.

A source described Mr. Holt as a former member of U.S. Army special forces and a Vietnam veteran who had adopted Islam and joined mujahidin units.

An official of the U.S. Embassy in Sarajevo said of Mr. Holt that NATO officials "confirmed the fact that he's out there, that he has access to camouflage outfits." *(AP, Reuters)*

French NATO troops checking the papers of a Muslim woman Wednesday in a front-line area near Sarajevo.

CLINTON: *He Confidently Proposes Agenda for a Second Term*

Continued from Page 1

But unlike many of his predecessors who found themselves in similar situations, notably Harry S. Truman, he chose not to lambaste the Republicans on Tuesday night. Instead, he took the political high road, referring only obliquely and relatively gently to his differences with the House and Senate, as when he said the nation could not "go back to the era of fending for yourself."

The president left it to his chief of staff, Leon E. Panetta, to put that point in robust language. The Republicans, Mr. Panetta suggested at a pre-speech briefing, wanted to take the country back to the law of the jungle, "the survival of the fittest."

Polling and focus groups have convinced the White House over the last few months that Mr. Clinton scores best with the public when he plays the role of the understated unifier.

Like all presidents, Mr. Clinton is keen to appear "presidential," meaning dignified, above the fray, Olympian. His praise for the World War II record of Senator Bob Dole of Kansas, the majority leader who may be his Republican rival this fall, fit that approach, which he will no doubt maintain as long as he can. Should he fall behind, of course, he will come down from the mountain and talk tough.

But on this occasion, he praised the Republicans for "the energy and determination they have brought" to the task of balancing the budget. Though he criticized the Republicans for closing the government, he said they had produced good ideas during their first months in power on Capitol Hill.

And this Democratic president acknowledged not once but twice the central tenet of the Republican "revolution" led by Newt Gingrich, the combative speaker of the House. He said baldly that "the era of big government is over" — an era that was initiated by a Democrat, Franklin D. Roosevelt, and extended for six decades by other Democrats in the White House and on Capitol Hill.

When he spoke on Capitol Hill a year ago, Mr. Clinton looked to many like a one-term president. He looks a lot stronger now. The Republicans' standing in the polls has drooped and his has risen. Senator Dole has run a tepid campaign, and his Republican rivals have done even worse. Mr. Dole, assuming the role of the underdog, made a much tougher, much more partisan speech in giving the Republicans' official response to the president Tuesday night.

Only the Whitewater affair, in which Hillary Rodham Clinton was subpoenaed last week, deeply shadows her husband's electoral prospects. In keeping with custom, she sat in the first row of the balcony, and he praised her.

The economy, almost always the surest index to a president's re-election chances, is healthy, with the lowest combined rate of unemployment and inflation in 27 years — though, as Mr. Clinton himself said, "too many Americans are working harder to get ahead in search of greater security."

So the president had every right to feel more confident.

And yet he proposed few bold new initiatives, repeating his calls of a year ago for more urgent assaults on crime and a restoration of family values. He is constrained not only by budgetary considerations but also the need to set himself apart from the Republicans as well as from big-government Democrats. That gives him a relatively narrow ideological patch to plow, even though his public standing is strong.

Thus he voiced his agreement with Congress on the need for welfare reform to create a system that supports rather than undermines "the values of family and work." But he put a Democratic twist on the subject by insisting upon adequate child support "so that mothers can go to work without worrying."

On other subjects as well, Mr. Clinton sought to picture himself as a reasonable man who shared many of the Republicans' goals but thought their means too harsh. He made no accusations, but he championed the Medicare and Medicaid programs, while conceding that they had become too costly.

In a sense, the president is trying to position himself during the partial dismantling of the welfare state as liberal Republicans tried to position themselves during the decades when it was being built.

We will give you government programs, they said, but we will run them more efficiently. I will cut back big government, he is saying, but I will do it with more compassion.

Not at all the easiest case to make.

ULSTER: *Major Gives Approval for Vote*

Continued from Page 1

dations on this point. Mr. Major clearly sought, in a statement in Parliament, to present the new format as one proposed by the commission.

An elected negotiating body was first proposed by the Ulster Unionist Party, which opposes Sinn Fein and wants to keep the northern part of Britain.

Gerry Adams, the Sinn Fein president, said the prime minister's proposal was a sellout to the predominantly Protestant unionists, whose support Mr. Major needs to keep his narrow majority in Parliament. But Mr. Adams did not categorically rule out participation in such a body.

Two weeks ago, a senior Sinn Fein official said the party would consider such a proposal, but he contradicted himself the next day, apparently under pressure from Mr. Adams.

John Hume, the head of the mainstream and predominantly Catholic, Social Democratic Labor Party said angrily that Mr. Major was trying to "buy votes to stay in power," which the prime minister denied. Prime Minister John Bruton of Ireland said he could support the body proposed by Mr. Major if it was "broadly acceptable" among the northern parties.

What all this maneuvering meant for the peace effort was not certain. David Davin Power, an analyst for Irish national radio and television said, "It seems clear that the peace process has taken two steps forward and one step back."

But the Mitchell commission's recommendations, in the view of many officials and analysts, could set the stage for a round of full-fledged peace talks, even if it seems unlikely that a new round of talks involving all the parties would start by the end of February, the target set by London and Dublin two months ago.

The commission was set up by Ireland and Britain in November to deal with the impasse created by a dispute over the disarmament of the IRA. On Wednesday, the commission attempted to square the circle by proposing that "some decommissioning take place during the process of all-party negotiations, rather than before or after as the parties now urge.

Ex-Minister Is Indicted in ETA Killings

Compiled by Our Staff From Dispatches

MADRID — Spain's Supreme Court published an indictment Wednesday of a former interior minister and close ally of Prime Minister Felipe González on three charges stemming from a 1980s "dirty war" against Basque rebels.

José Barrionuevo, the interior minister at the time of the illegal 1983-87 campaign against the armed Basque separatists, is accused of kidnapping, misuse of public funds and association with an outlaw band, state radio said.

Mr. Barrionuevo was charged in connection with the 1983 kidnapping of a French industrialist, Segundo Marey, a native of Spain who was mistakenly thought to be a leader of Basque Homeland and Freedom, known as ETA.

Mr. Barrionuevo, who has denied that he oversaw the operations of shadowy Anti-Terrorist Liberation Groups, has been free on bail since Jan. 12.

Justice Eduardo Moner of the Supreme Court accused Mr. Barrionuevo and Rafael Vera, a former state security chief, of setting up the groups in 1983 to combat the Basque rebels. The secret campaign against the ETA claimed 27 lives from 1983 to 1987.

Mr. Vera, who was indicted last summer on the first two counts, was also charged Wednesday with association with an armed group in connection with the four-year campaign of bombings, kidnappings and killings.

The indictment alleges that Mr. Barrionuevo and Mr. Vera financed attacks by the groups, mostly in the rebels' safe haven in the Basque region of southern France.

The campaign was financed with covert Interior Ministry funds under Mr. Barrionuevo's control, the indictment said.

To pay for one kidnapping of a suspected ETA member, the indictment alleges, Mr. Vera gave a briefcase containing with 1 million French francs ($200,000) to Interior Ministry subordinates.

According to the indictment, they then channeled the money to mercenaries. *(Reuters, AP, AFP)*

GERMANY: *Pact Reached to Spur Jobs*

Continued from Page 1

firmation of the time-honored practice of blanket nationwide wage settlements.

That system, the bane of industry since German reunification, covers entire masses of often unrelated industries and millions of workers at a time, regardless of how well individual companies or sectors are faring.

Although heavy on rhetoric, the pact still proves Germany's collective talent to come up with a shared blueprint and sense of social solidarity at a time of economic uncertainty.

"We have no illusions that the way will be long and tough," Dieter Schulte, head of the German Trades Union Federation, said at the presentation of the agreement.

Although parts of the eight-page statement were either vague or left to be settled later, a spokesman for the federation predicted that it probably should be enough to trigger a round of wage restraint by the major unions.

As much as the pact itself, rising unemployment and a sputtering German economy — expected to slow to 1.5 percent this year from 1.9 percent in 1995 — will also dampen expectations of sharp raises, economists said.

Employers eager for cost relief must wait to see whether the "alliance" delivers the goods. Settlements will not be determined for months, until after the ritual of contract bargaining gets under way in the spring.

The first big contract expires for the nation's 400,000 chemical workers at the end of February, followed by the million-strong construction union and then the nearly 4 million public-sector workers, whose contract expires at the end of April.

The single biggest union, IG Metall, will not have the chance to keep its end of the bargain until next year, after its current two-year contract expires.

It was IG Metall that inaugurated the "Alliance for Jobs" initiative in November, partly in a bid to deflect blame for the pressure on the economy resulting from its last 4-percent wage increase. Since then, unemployment surged to 9.9 percent in December from 9.3 percent a month earlier and there are fears it will rise further.

This has pressured politicians to take action, while industrialists joined the talks when they saw a chance to win a soft pay round and hopes for tax breaks.

Unions declared their greatest victory was enshrined in a clause to redistribute the nation's record overtime hours into new jobs "whenever possible."

"We're not talking about peanuts," said the union federation spokesman. Unions calculated that 1.7 million Germans would be gainfully employed if half of the overtime hours logged last year in the entire economy had been treated as full-time jobs. In the metalworking industry alone, that would have amounted to about 700,000 jobs.

The pact also calls for flexible working hours. Employers used the "Alliance" to make unions accept the principle of "working time accounts," which presets a number of weekly, monthly or annual hours and grants employers the freedom to extend or shorten hours to accommodate order flow.

Less easy for lawmakers will be the pledge, inserted by the unions, to redefine Germany's "580 Deutsche mark" ($392) job.

The agreement outlines the goal to grant such jobs full state health-care benefits, leading to a further drain on public accounts.

By far the most contested aspect of the agreement, Labor Minister Norbert Blüm's demand that the early retirement schedule be phased out, was left unsettled and will be taken up at a separate meeting on Feb. 12.

FUTURE: *A Stroll Into the Millennium With the Trend Spotters and Techno-Prophets*

Continued from Page 1

nonprofit research group in Columbus, Ohio. "There is no immutable future out there. But there are highly probable possibilities."

Until about 200 years ago, change was so slow that people presumed that the lives of their children and grandchildren would not be very much different from their own.

And then came the 20th century, when people went from flying in the first airplane at Kitty Hawk to planting their first footsteps on the moon — all in the blink of a lifetime. One group of scientists has said that the rate of change in our contemporary world is running a million times faster than the rate of humans' ability to adjust to the new situations.

Here is how some futurists say Americans may live in the opening years of the next millennium.

The World Future Society, a nonprofit organization in Maryland, predicts that supermarkets may become hydroponic greenhouses where shoppers pick their own produce from the vine. And for those who would not care for such a hands-on experience, groceries could be electronically ordered and automatically delivered into refrigerators that open outside and inside the house.

Marvin J. Cetron, founder and president of Forecasting International Ltd., a consulting company in Arlington, Virginia, said he believes that by 2006, people will have personal diagnostic and meal preparation machines. If you eat too much, the diagnostic machine will tell you to exercise.

Many experts anticipate advances in biotechnology that could lead to cows that produce low-fat milk, disease-resistant potatoes grown by crossing them with a chicken gene and pork made leaner by introducing a cow gene into the pig's genetic pool.

But if, as expected, the world's human population doubles in the next 40 years, the pressure to produce food to feed everyone is going to be immense, said Lester R. Brown, head of the Worldwatch Institute, in Washington. He notes in his book, "Vital Signs 1995," that "the pace of history is accelerating as soaring human demands collide with the Earth's natural limits."

How about medicine? For many people, particularly aging baby boomers, a big question will be, how can you add years to your life? Many futurists say that will be possible, at least for those who can afford it.

By 2020, the complete DNA structure will be mapped, Mr. Cetron said: "Doctors will know a person's genetic characteristics right from birth, even before birth."

That could guide doctors to tailor life styles and treatments to help patients avoid disorders they are prone to develop. Coupled with genetic medicine, he said, a child born in 2010 could expect to live 120 years.

But Mr. Brown of the Worldwatch Institute cautioned that public health and medicine are likely to be challenged by another global trend: the rise in infectious diseases and their increased immunity to antibiotics.

Many futurists expect little change in how Americans live in houses in the next few years. "Home behavior changes pretty slowly," Mr. Millett said. But from 2010 to 2020, he predicts "fundamental change."

"We are going to move out of single-family dwellings into community condos," he said, because graying baby boomers will be unable to live alone but will be unwilling to live in nursing homes.

And Mr. Cornish said homes would be so comfortable and so wired to the outside world with communication and entertainment equipment that people would rarely want to leave them.

As for computing, the futurists think that the near future is likely to unleash a flood of hand-held, interactive tools. Hardly larger than a credit card, these databanks will digitally organize all sorts of information and respond to the sound of a user's voice.

EUROPE: *Giscard Breaks Ranks With EU*

Continued from Page 1

proposal. "Of course we are willing to consider new ideas," Mr. Santer said.

It is Bonn's reaction that will count the most, however.

Although the German government did not respond formally, officials said Mr. Giscard d'Estaing's proposal clashed with Bonn's refusal to bend any of the criteria that are intended to reassure financial markets and the German public that the new currency, the Euro, will be a stable successor to the Deutsche mark.

They noted that the stability pact proposed by Finance Minister Theo Waigel took account of the business cycle by suggesting a 1 percent deficit target in growth periods, and implying a 3 percent ceiling in recessions.

"We have made it clear repeatedly that a strict application of the convergence criteria is absolutely important," said a Bundesbank spokesman in Frankfurt.

Nevertheless, Bonn already is coming under intense pressure from its partners to soften its tough stance or risk the death of a project that has been championed from the start by Chancellor Helmut Kohl.

Prime Minister Jean-Luc Dehaene of Belgium, which is far outside the Maastricht criterion on national debt, stressed to the same EU conference Monday night that the final decision on adopting a single currency would be a political one for EU leaders, not a technical judgment based solely on economic data.

In Paris, French officials said the government was sticking to its plan to meet the 3 percent deficit target in 1997 and did not endorse Mr. Giscard d'Estaing's proposal. But some analysts saw it as a clear warning from Paris to Bonn.

Peter Praet, chief economist at Générale de Banque in Brussels, said France had suffered economically by keeping interest rates high to keep the franc pegged to the mark. If France is to keep on track for a single currency, it needs help in the form of lower interest rates and a less-strident German stance on the Maastricht criteria. The threat, Mr. Praet said, is a collapse of the single currency and a resulting surge in the mark that would damage German industry.

"The French are saying to the Germans, 'Do you want to have a situation like Black Wednesday with the franc'?" Mr. Praet said, referring to the 1992 devaluation of the British pound.

In Madrid, meanwhile, Mr. Westendorp said the skepticism in recent weeks about the ability of countries to meet the Maastricht criteria had created "a credibility crisis in the entire project." He also said he did not want to renegotiate the treaty, although he considered it possible that EU leaders would "stop the clock" if not enough countries met the criteria in time for 1999.

Mr. Westendorp was quoted in Spanish newspapers Wednesday as saying that the Union was likely to delay monetary union if France and Germany were not ready for 1999 along with either Britain, Italy or Spain.

INTERNATIONAL

Yeltsin's Re-election Strategy: Let Advisers Take the Heat

By Alessandra Stanley
New York Times Service

NEWS ANALYSIS

MOSCOW — His health is shaky, his popularity and public credibility are in free fall, and his Communist opponents have never been stronger. President Boris N. Yeltsin, 65, says he will probably run for re-election in June.

Even though he remains Russia's most powerful anti-Communist figure, few democrats or reformers in Russia are celebrating. Mr. Yeltsin says he would run to prevent Communists from reversing the democratic achievements of his presidency. But as he prepares his campaign, it is sometimes hard to tell who will be more Soviet-minded — the Communists who want to replace him, or Mr. Yeltsin, struggling to keep them at bay.

As Mr. Yeltsin recasts himself as a centrist bent on reining in the most unpopular economic measures of his government, he is in danger of reversing — or at very least stalling — the reform measures that are the hallmark of his presidency and that have kept the West more or less committed to his survival.

When he mounted the war in Chechnya a year ago, Mr. Yeltsin lost the already teetering support of the liberal democrats, who were disenchanted by his inability to sustain his promise to shake his country loose from the stranglehold of 70 years of Soviet rule.

His costly effort to resolve the hostage-taking incident in Pervomayskoye, and subsequent threats to resume the fighting in Chechnya, have not rallied Communists and Russian nationalists to his side. However much he tries to show that he too can rule Russia with an iron fist, he keeps getting undermined by the incompetence of the military under his command.

Committed to war and unable to negotiate peace, Mr. Yeltsin seems to have little room for maneuver in Chechnya.

What is less clear is who Mr. Yeltsin thinks he can recruit by distancing himself from the economic reform and privatization policies he helped forge.

Egged on by Kremlin aides who see his re-election as their only chance of retaining power and privileges, Mr. Yeltsin seems to believe that if faced with a choice between himself and a Communist presidential candidate, enough voters will flinch, and stick with the lesser of two evils.

But the more he tries to accommodate and incorporate the Communist agenda, the more palatable he makes it. And the Communists are relishing his confusion.

"We see that both the president and the government are fulfilling the aims we had set," said Gennadi Seleznyov, the new Communist speaker of Parliament said after Mr. Yeltsin dismissed the last reformer in his cabinet, Deputy Prime Minister Anatoli B. Chubais. He added with a smirk, "They say they do not heed the opinion of the opposition, but in reality they are heeding this opinion."

Voters may well decide that given the narrowing differences in positions between the powers that be and its opposition, they might as well vote for change. Mr. Yeltsin is not just disliked at home, he is loathed. That alone could provoke voters to run the risk of returning Communists to power.

His recent public performances have been unpolished and at times downright confused, but Mr. Yeltsin seems convinced that he can regain the voters' trust, or at least redirect their hostility toward other figures — like Mr. Chubais, whom he now blames for all his unpopular economic policies.

The president's public attacks on Mr. Chubais verge on the grotesque. Most recently, he said that, had he dismissed Mr. Chubais earlier, the pro-government party, Our Home Is Russia, would have gotten twice as many votes as it did in the December parliamentary elections.

And that is what his closest advisers, who hated Mr. Chubais for trying to fight some of their own vested business interests, are telling the president.

They are also telling the president that there are not many viable alternatives to him, and, indeed, Mr. Yeltsin has done nothing to groom an heir apparent.

The economic reformer and ousted Prime Minister Yegor T. Gaidar, though beloved by liberals in Moscow, is so unpopular that his party failed to gain the 5 percent needed to return to Parliament. Even if Mr. Yeltsin were to anoint Grigori Yavlinsky, the economist who leads the only major democratic party in opposition to the government, Mr. Yavlinsky's chances of being elected president would still be small.

Convinced that there is no other democratic candidate to succeed him, Mr. Yeltsin is instead ridding himself of aides who have come to symbolize the more unpopular aspects of economic reform.

Rights Adviser Resigns, Citing Yeltsin Retreat From Reform

By David Hoffman
Washington Post Service

MOSCOW — Russia's upper house of Parliament has chosen a former Soviet Communist Party Politburo member as chairman, while a renowned human rights activist resigned his posts under President Boris N. Yeltsin, saying that the president had abandoned reform.

In an open letter published in the daily newspaper Izvestia, Sergei A. Kovalev announced his resignation as chairman of the Russian human rights commission and, separately, as a member of Mr. Yeltsin's advisory council. He will remain, however, in the lower house of Parliament, the State Duma.

Mr. Kovalev, a fierce critic of the war in the breakaway region of Chechnya, became the latest democratic activist and reformer to break with Mr. Yeltsin in recent weeks. Former Prime Minister Yegor T. Gaidar also has resigned from the advisory council; Anatoli B. Chubais, the economist who designed the privatization program, was ousted from the government; Mr. Yeltsin's chief of staff, Sergei A. Filatov, resigned; the pro-Western foreign minister, Andrei V. Kozyrev, resigned; and Otto Latsis, an influential Izvestia columnist who is often a voice of the democracy movement, also quit the council.

Mr. Kovalev asserted in his letter that since 1993 Mr. Yeltsin has been drifting away from a commitment to the rule of law in a democratic society and toward restoring the power of the state. He lamented that Mr. Yeltsin had "stopped judicial reform," failed to come to grips with organized crime and failed to initiate a reform of the army, increasingly resorting to secrecy and lies.

The upper chamber, made up of regional leaders, selected Yegor Stroyev, 58, governor of the region of Orel, as its new chairman by a vote of 147 to 19 on Tuesday.

Although he was a member of the Communist Party of the Soviet Union for 33 years, Mr. Stroyev has not rejoined the revitalized Russian Communist Party, and said he was more of a centrist aligned with Prime Minister Victor S. Chernomyrdin.

The choice of a Soviet-era Communist Party figure came on the heels of the recent election of a Russian Communist as speaker of the State Duma.

Court Defied in French Cyberspace

No Precedent for Putting Banned Book on Internet

By Barry James
International Herald Tribune

PARIS — "Le Grand Secret," the banned book by François Mitterrand's doctor about the late president's 14-year battle with cancer, went on the Internet on Wednesday, opening up a can of copyright worms and leaving prosecutors with little power to act.

"Once it's on the Net, I do not know how you get it off," said Susan Wagner, a copyright expert. "This is moving into uncharted territory. The Internet is rife with potential copyright questions."

The publisher, Plon, reserved the right to sue the owner of the cybercafé in Besançon who put the 190-page book on the Internet. A cybercafé is a place that sells Internet access along with drinks and snacks. Even Plon's lawyer, Jean-Claude Zylberstein, acknowledged that suing the café would raise a "delicate question" because there was little chance of preventing the text from circulating.

Plon fought the banning of the book last Thursday. Mr. Mitterrand's family successfully obtained the interdiction on the grounds that their privacy had been invaded and that the publication contravened the right to medical secrecy. The book's author, Claude Gubler, who treated Mr. Mitterrand during most of his presidency, said the illness made the president unfit to rule in his final months in power. It also revealed a deception at the heart of the presidency after Mr. Mitterrand had promised the nation regular bulletins on the state of his health while suppressing the fact that cancer was diagnosed as long ago as 1981.

The publishing company said the Internet distribution had infringed its copyright. However, apart from reserving the right to take action against the cybercafé, it did not announce any immediate plans to do so. The public prosecutor in Besançon, Christian Hassenfratz, said he would not take action unless someone made a formal complaint. In a circular argument, the prosecutor acknowledged that Dr. Gubler's intellectual property rights had been violated, but he said these rights had been placed in doubt by the decision to ban the book.

Plon sold 40,000 copies of the book before the ban went into effect. Some experts said its threat of action against the cybercafé seemed designed to protect itself against prosecution. The gag order said the publisher would have to pay a 1000-franc ($200) fine for every copy sold illegally.

The owner of the café, Pascal Barbraud, said he had reproduced the book because "the spirit of the Internet is against censorship." He said lawyers had assured him that the ban applied only to the printed version of the book, not to the electronic copy. He said he had not contacted Dr. Gubler, but added that he was doing no harm because the doctor said he was interested in revealing his 14-year-secret rather than in making money.

He said that if there was any attempt to take legal action against him, he would immediately transfer the book to a server in the United States, where French cybersurfers could continue to obtain it for the price of a local telephone call.

A spokesman for the publisher's organization, the National Publishers' Union, said the Internet publication raised two separate issues. One was the banning of the book, which the organization opposed. The other was the breach of copyright, in which it defended the intellectual rights of the author and of Plon. In Europe, books remain protected by copyright for 70 years.

The National Press Federation condemned the banning of the book, saying that whatever the circumstances surrounding its publication, the freedom of expression was the first of all liberties.

Meanwhile, Mr. Barbraud said his Internet server (http://www.le-web.fr/secret/) was receiving up to 1,000 calls an hour, with many Net surfers downloading the entire text.

Ciro Fusco/Reuters

NAPLES BLAST — Passersby in Naples gawking Wednesday at a crater caused by an explosion of unknown cause that killed at least nine people.

INTERNATIONAL CLASSIFIED

MOVING

AGS INT'L MOVING
A.G.S. PARIS (33-1) 40 80 20 40

ANNOUNCEMENTS

Attention visitors from the U.S. !

If you enjoy reading the IHT when you travel, why not also get it at home ? Same-day delivery available in key U.S. cities.

Call (1) 800 882 2884
(In New York call 212 752 3890)
Herald Tribune

Our Next Special Heading

Real Estate In & Around PARIS
(Sales & Rentals)
will be appearing on
FRIDAY, JANUARY 26th
For information, please contact:
INTERNATIONAL HERALD TRIBUNE
PARIS TEL: (1) 41 43 93 85
or FAX: (1) 41 43 93 70

FEELING low? — having problems? SOS HELP crisis-line in English. 3 p.m.-11 p.m. Tel: Paris (1) 47 23 80 80.

INTERNET WEB SITES

WWW.paris-anglo.com
PARIS-ANGLOPHONE
The Directory of English-Speaking Paris.
Over 4,200 professional contacts !
Anglophone S.A.®
Fax (33-1) 48 59 66 68

BUSINESS TRAVEL

Tel/Business Class Frequent Travellers Worldwide. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel: 514-341-7227 Fax: 514-341-7998. E-Mail #RS@MUSICA.MCGILL.CA

BUSINESS SERVICES

Save on International Phone Calls
Save 50% and more compared to local phone companies. Call from home, office, car-even hotels (and avoid surcharges). Check our rates for any country and see how you can start saving today.
Call us now and we'll call you right back!
Tel 1-206-284-8600
Fax 1-206-282-6666
Lines open 24 hours.
Agents inquiries welcome!
kallback
419 Second Avenue West
Seattle, WA 98119 USA

LEGAL 2ND CITIZENSHIP. Diplomatic firm in D.C. arranges foreign naturalization, travel documents and voter registration. No country investment required. 21 day service. Lawyers Diplomatic Group Fax (202) 965 6563.

YOUR OFFICE IN LONDON
Bond Street - Mail, Phone, Fax, Telex
Tel: 44 171 499 9192 Fax: 171 499 7517

BUSINESS OPPORTUNITIES

IRISH NON-RESIDENT COMPANIES £195
Ideal tax-avoidance vehicles. Low profile, tax free & European. Suitable for trading, consultancy & other activities. For immediate service contact:
Elish Murphy, Director, Sovereign Company Services, 54 Fitzwilliam Square, Dublin 2, Ireland.
Tel: +353 1 6618490 Fax 6618493

OFFSHORE BANKS
INSURANCE COMPANIES
COMPANIES & TRUSTS
ASSET PROTECTION
IMMIGRATION/PASSPORTS
TRADE - FINANCE
ASTON CORPORATE TRUSTEES LTD
19 Peel Road, Douglas, Isle of Man
Tel: 01624 626591
Fax: 01624 625126
London Tel: (171) 222 8966
Fax: (171) 233 1519

OFFSHORE COMPANIES
Contact Iris Kamran for free information pack at tel: (372) 631-06-57, fax: (372) 631-06-07.

OFFSHORE COMPANIES. For free brochure or advice Tel: London 44 181 741 1224 Fax: 44 181 748 6558 (computer fax) or 44 181 748 6338

FINANCIAL SERVICES

CONFIRMED Bank issued collateral purchase. My price $2M. Major bank confirmed to your bank. I buy your bank instruments. Contact Mr. J. Goldstein fax 022 738 9703 Switzerland.

REAL ESTATE FOR SALE

PARIS & SUBURBS

PARIS 4th - QUAI D'ANJOU, on courtyard and garden, sunny and quiet, living, 3 bedrooms. FF3,300,000. Tel: (1) 49 15 93 13

REAL ESTATE TO RENT/SHARE

ISRAEL

TEL AVIV/Rooftop Duplex near Dan Hotel. Elevator, air conditioner, huge terraces, great for entertaining. 2 bathrooms. Brand new. Available immediately - minimum 6 months. $1,800/month. Dr. Goldstein USA 212-580-2052/212-367-6457/Fax 212-787-9781

PARIS AREA FURNISHED

Embassy Service
YOUR REAL ESTATE AGENT IN PARIS
Tel: (1) 47.20.30.05

AT HOME IN PARIS
PARIS PROMO
apartments to rent furnished or not
Sales & Property Management Services
25 Av Hoche 75008 Paris. Fax 1-45611020
Tel: (1) 45 63 25 60

AGENCE CHAMPS ELYSEES
Specialists:
Furnished apartments, 3 months & more or unfurnished, residential areas.
Tel: (1) 42 25 32 25
Fax (1) 45 63 37 09

16th, NEAR FOCH, beautiful 180 sqm. 5-room flat, large reception. FF19,000 + charges. Tel: owner (1) 45 01 60 38

VARENNE Elegant, light, 3-room flat, high ceilings, parquet, fireplace, refined decoration, FF12,000. Tel 1-45.51.13.51.

EMPLOYMENT

EDUCATIONAL POSITIONS AVAILABLE

BERLITZ requires part-time native English teachers of EEC nationality or with valid work permit. For Paris / Versailles / Saint Quentin. Tel: (1) 44 94 50 20 from 9am to 6pm

LANGUAGE SCHOOL URGENTLY looking for English teachers with business experience to teach professionals. Tel: PARIS (33-1) 44 83 05 20.

T.E.F.L. NATIVE TEACHERS, dynamic & experienced, part/full-time. Available immediately. Contact I.E.L.P. Tel: (1) 4233 3584/Fax (1) 4221 0466

LEGAL SERVICES

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sudbury, MA 01776 USA. Tel: 508/443-8387, Fax: 508/443-0183.

DIVORCE IN 1 DAY, GUARANTEED! Spousal Consent Not Needed. Tel: 212-248-5388, Fax 212-248-5219 USA.

INTERNATIONAL RECRUITMENT

You will find below a selection of employment offers published in last Monday's International Herald Tribune
For a copy of last Monday's paper, please contact Fred Ronan on Paris (1) 41 43 93 91

COMPANY	CONTACT
MARKETING & SALES **Regional Sales Manager Moscow** — A world leader in Hi-Tech marketplace	Duurstede Groep B.V. Strategic Executive Search Munstraat 23 - P.O. Box 273 3960 BG Wijk bij Duurstede Netherlands Fax: +31 343 5 71799
An Experienced Communications Professional based in Brussels	Fax c.v. in English by February 1st, 1996 DMR / USA: 518 274 6903
Publisher / Marketer For print & on-line publications — The Open Media Research Institute	OMRI Marks Schoofs Motokov Building Na Strzi 63 140 62 Prague 4 - Czech Republic
Advertising Sales Executive — International Herald Tribune	International Herald Tribune GmbH Thomas Schluter Friedrichstrasse 15 D-60323 Frankfurt - Germany
Marketing Director for Hedge Fund	International Herald Tribune Box D-431 850 Third Avenue, New York - NY 1002 - USA
EDUCATIONAL POSITIONS **Coordinator, IB** — Athens College	Mr Spiros Kantas, Director P.O. Box 65005 15410 Psychico - Athens - Greece
OTHERS **4 Principal interpreters of Finnish or Swedish nationality (grade LA5 / LA4)** — The European Commission	European Commission Recruitment Units SC41 (COM/LA/977 or COM/LA/979) Rue de la Loi 200 Westraat B-1049 - Brussels - Belgium

CONFERENCES & EXHIBITIONS

5 March 1996

Americans in Germany!
Are you tired of paying too much in taxes?
Are you over the $ 70.000 Exclusion?
Do you feel cheated by Alternative Minimum Tax?
Are you sick of giving 50% of your income to the Finanzamt?
There are Legal Solutions!
Tax Reduction Strategies Seminar
1 day seminar $110.- (tax deductible)
Learn how to reduce your tax liabilities!
Start by faxing NALICO INT'L. Today!
Fax: (49) 06409 9635
Frankfurt, Germany

GLOBEC '96
9th GLOBAL ENVIRONMENT TECHNOLOGY CONGRESS
together with
RECYCLE '96
ENVIRONMENTAL TECHNOLOGY
産業 環境 テクノロジー
INDUSTRIE UMWELT TECHNOLOGIE
工业 环境 技术
DAVOS, SWITZERLAND, MARCH 18-22, 1996
A global environmental forum for industrial, commercial, financial, political, public positions with experts from EU, AMERICA, JAPAN, CHINA
MBS GLOBAL CONFERENCES
MAACK BUSINESS SERVICES
CH-8804 Au/near Zürich, Switzerland
Tel: +41-1-7813040, Fax: +41-1-7811569

TO ADVERTISE PLEASE CONTACT
PARIS ON FAX: (33-1) 41 43 93 70

Herald Tribune
THE WORLD'S DAILY NEWSPAPER
PLANNING TO RUN A CLASSIFIED AD?

EUROPE
FRANCE HQs: Paris, Tel.: (1) 41 43 93 85, Fax: (1) 41 43 93 70.
GERMANY, AUSTRIA & CENTRAL EUROPE: Frankfurt, Tel.: (069) 72 67 55, Fax: (069) 72 73 10.
SWITZERLAND: Paly, Tel.: (021) 728 30 21, Fax: (021) 728 30 91.
UNITED KINGDOM: London, Tel.: (0171) 836 4802, Telex: 262009, Fax: (0171) 240 2254.

NORTH AMERICA
NEW YORK: Tel.: (212) 752-3890, Toll free: (800) 572-7212, Fax: (212) 755-8785

ASIA/PACIFIC
HONG KONG: Tel.: (852) 2922-1188, Telex: 61170 IHTHX, Fax: (852) 2922-1190.
SINGAPORE: Tel.: 223 6478, Fax: (65) 224 15 66, Telex: 28749. IHT SIN.

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Pay Those UN Dues

The latest flap over United Nations funding would be funny if it weren't so depressing. Secretary-General Boutros Boutros Ghali was pondering ways to ease its savage financial crisis. He revived talk of a UN tax on issuance of passports, foreign currency dealings and the like in order to provide the organization "a minimum of independence" from members' refusal to pay their dues. The idea is a complete nonstarter. It could come about only by members' ratification of a treaty, and few if any members want the United Nations to slip their leash. Mr. Boutros Ghali deserved to be criticized for daydreaming. Instead he was widely accused of power-grabbing.

A large part of the rebuke came from American quarters professing to see the old specter (this goes back 50 years to the United Nations' founding) of "world government" on the make. Senator Robert Dole blasted the secretary-general's "out-of-control pursuit of power" and introduced punitive legislation, setting in motion hearings that could yet rub the sore rawer. The Clinton administration, still in retreat from its early address of "multilateralism," was pleased enough to find itself — here — in the unaccustomed company of Senator Jesse Helms.

What Mr. Boutros Ghali was actually doing in this inept, off-base way was what he should have been doing by some other means: looking for financial relief. The United Nations — that is, its membership — is $2.3 billion in debt: America owes half. That debt was accumulated, remember, by the members assigning missions that they then starved of resources. It is more than an irony; it is a further costly misfortune that the secretary-general's attempt to keep financing on the current international screen became a diversion from that end.

The notion of the United Nations as a would-be world government chewing up the sovereignty of states dies hard. That the Secretariat often tries to shape its assigned missions is certainly true. But the United States has formidable defenses — its voice, its veto, its purse, its presence, its status as world power. At a certain point it becomes childish for governments or their publics to complain that devious bureaucrats are stealing members' birthright. When there are political battles to be fought — as last month when, in a contentious reversal, the United States favored giving the United Nations a certain Bosnian security sub-task while Mr. Boutros Ghali wanted to hand it to a group of interested states — then the members must fight them. Otherwise, they should pay their dues.

— THE WASHINGTON POST.

Enough War in Angola

A telling comment on Angola's 20-year civil war was volunteered with a shrug by a former rebel soldier, Bernardo Calindo, age 23. "I have no idea what this war is about," he told The New York Times. "You will have to ask someone who is older." In truth, nobody can provide a coherent explanation for the persistence of this conflict. Angola bleeds not for reasons of interest or ideology, it would seem, but because of weakness, folly and the bad faith of rival leaders.

The world is right to be exasperated with this pointless war. Madeleine Albright, the chief U.S. delegate to the United Nations, was too diplomatic to speak as bluntly in public while visiting Angola this month, but American impatience is palpable. Plainer language is probable next month when Mrs. Albright becomes president of the Security Council just as the United Nations weighs renewing a costly Angolan peacekeeping mission.

The war began as a scramble for power as the Portuguese empire dissolved in the 1970s. It rapidly became a battleground in the Cold War. Jonas Savimbi was originally a Maoist and armed by China, but he swerved to the right as the Angolan government turned to Moscow for weapons and to Fidel Castro for Cuban troops. With the collapse of communism, the Luanda regime just as opportunely redefined itself. President José Eduardo dos Santos said on a recent visit to the United States that his faith in Marxism-Leninism had been misplaced.

In 1992, peace seemed finally possible. For years Mr. Savimbi had assured his American backers that he wanted nothing more than a free election. Prodded by Washington, both sides agreed to surrender weapons, disband forces and submit to voters. But Mr. Savimbi scattered his guerrillas and hid his stockpiles from UN monitors. When the vote went against him, he struck with deadly effect at a government that had disbanded much of its army.

Fourteen months ago, the government and Mr. Savimbi's insurgents signed another pact, setting deadlines for military and political integration. But this time the Angolan army, having got a second wind, assailed Mr. Savimbi's stronghold, giving rebels a reasonable pretext for not complying with integration timetables. After strong pressure from Washington, Mr. dos Santos reined in the army.

At a subsequent conference of aid donors in Brussels, the president and the rebel embraced each other. Mr. Savimbi declared, "I will never take my people back to war." He agreed that 20,000 of his fighters would "quarter" in special sites under UN supervision. The deadline fell last week, and only 500 fighters have showed up. Meantime, a country blessed with oil and mineral resources remains divided.

It would betray an ill-used people for the United Nations to turn its back on Angola. But the Security Council can make plain to all that its peacemaking is conditional. It is reasonable to insist that both sides take concrete steps to honor their 1994 accord that pledges Mr. Savimbi's followers a real role at all levels of government, once rebel guns are laid aside.

— THE NEW YORK TIMES.

Good for the WTO

In one of its first such decisions, the new World Trade Organization has found that a U.S. clean-air regulation violates world trade rules by discriminating against foreign oil refiners. The point at issue was minor, and the decision seems to have been warranted.

Those Americans who opposed the new international trade agreement as a threat to American autonomy say that the WTO finding proves their point. At the other end of the political spectrum, groups that favor strong labor, health, safety and environmental regulations also expressed alarm. Their fear is that the free trade agreement, by making commerce supreme, will grind down the regulatory standards that they seek to protect. But that isn't quite what happened here, either.

This was a requirement that by 1995 the gasoline sold in America be 15 percent "cleaner" than in 1990. To determine compliance, the Environmental Protection Agency had to have a starting point for each refiner: How dirty had its 1990 product been? U.S. refiners had records on the basis of which to determine this. For foreign refiners, the EPA decided that the starting point should be average U.S. gasoline quality in 1990. Venezuela protested, saying that it would be burdened by the average standard and had the necessary records to be judged on its own. The EPA was about to accommodate Venezuela. Congress, however, intervened, in part at the behest of U.S. refiners, who saw no reason to come to the aid of their Venezuelan competitors. It ordered the EPA to leave the rule alone.

The purpose at that point was pretty clear: to protect not U.S. air but U.S. companies. Venezuela appealed to the world trade authorities. Meanwhile, the environmentalists also find themselves in a strange political position. Usually their argument is that it would be a better world if U.S. oil companies faced more competition, and here they are on the side of less.

The WTO ruling does not mean that the United States has to change its law, just that if it does not, Venezuela and other disadvantaged foreign suppliers are free to retaliate. The Clinton administration says it will likely appeal. By the time an appeal can be heard, the temporary U.S. rules may have expired. In the meantime, the appeal may help defuse the issue politically.

In the long run, U.S. officials believe that WTO decisions will more often help than harm U.S. interests, because America is already a pretty open market and because the U.S. economy will expand as world trade does. We think that sounds right.

— THE WASHINGTON POST.

International Herald Tribune
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
RICHARD McCLEAN, Publisher & Chief Executive
JOHN VINOCUR, Executive Editor & Vice President
• WALTER WELLS, News Editor • PAUL HORVITZ, Deputy News Editor
• KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors • ROBERT J. DONAHUE, Editor of the Editorial Pages
• JONATHAN GAGE, Business and Finance Editor
• RENÉ BONDY, Deputy Publisher • JAMES McLEOD, Advertising Director
• JUANITA I. CASPARI, International Development Director • DIDIER BRUN, Circulation Director.
Directeur de la Publication: Richard D. Simmons
Directeur Adjoint de la Publication: Katharine P. Darrow

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 41.43.93.00. Fax: Circ., (1) 41.43.92.10; Adv., (1) 41.43.92.12. Internet: IHT@eurokom.ie
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334 Mng. Dir. Asia, Rolf D. Krampuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190. Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. (069) 72 67 55. Fax: (069) 72 73 10 Pres. U.S.: Michael Conron, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785 U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254. S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
© 1995, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

Prevent Burundi's Descent Into Genocidal War

By Thomas L. Friedman

BUJUMBURA, Burundi — Bujumbura looks to be a charming little lakefront town, where longhorn cattle mingle amid the traffic and the banana trees. Your first stop is the prime minister's office, where America's United Nations representative, Madeleine Albright, is delivering a message. The first thing you notice about the buildings is that they have all their windows — a vast improvement over Liberia.

The air is clear. The city is quiet. And then a young Burundian official waiting outside the Prime Ministry pierces your mirage. "We are all buying guns," she says softly. "We are living hour by hour here."

Welcome to Burundi, a country tottering on the edge of the abyss, deciding hour by hour if it is going to follow Rwanda and plunge itself into a full-scale tribal war between Tutsi and Hutu, or somehow pull back.

For the moment, Burundi is Rwanda in slow motion. The ethnic cleansing by Tutsi and Hutu — the same tribal mix as in Rwanda — happens just every other day, in every other village. There is still a shred of order. But the best-case scenario is for increasing violence; the worst case is for a Rwanda-style cataclysm that spills hundreds of thousands more refugees across Central Africa.

The more agrarian Hutu make up 85 percent of the population, the Tutsi 15 percent. But the Tutsi are the elite in business, army and government — which they controlled until the early 1990s, when, under pressure from Western powers, an election was held and a Hutu naturally won.

In October 1993 the Hutu president was killed, igniting a brief ethnic war in which 100,000 people (mostly Hutu) died in clashes between the small but heavily armed Tutsi minority and the machete-armed Hutu majority. Since then the two sides have tried to negotiate a more stable power-sharing agreement, but the 1994 Tutsi-Hutu civil war in Rwanda has encouraged extremist Tutsi and Hutu in Burundi to seize what they want by force. They are two communities trying to divide a pie while each holds a gun to the other's head.

A year ago, Bujumbura was still a mixed city, but lately most Hutu have been driven out. In reaction, rebel Hutu, who control parts of the countryside, have tightened a ring around the capital, where they look down on the Tutsi from the surrounding hilltops. Two weeks ago, rebels cut the city's electricity and water. The capital has an eerie feel — so much beauty, so much fear.

The United States learned in Bosnia that only it had the power to catalyze the world to get organized to stop mass killing once it starts. Should the Clinton administration use that power to try to stop potential genocide in a country of zero strategic interest to the United States? Yes, because I don't think it would take that much, and a little preventive diplomacy here can go a long way and save a lot of anguish later.

One reason Rwanda became the humanitarian disaster it did was because the international community was so slow to react when it commenced.

The Clinton administration has explored with its allies the idea of putting together a rapid reaction force — with the U.S. contribution confined to logistical support — to curb any mass killing in Burundi if it starts. The administration also sent Mrs. Albright. She appealed to the parties to avoid "committing national suicide."

What is needed now is a high-level international diplomatic effort that uses carrots and sticks to get the parties in Burundi into a new power-sharing agreement, and only Washington has the power to catalyze such a mission.

Preventive diplomacy by the West can work only if the people of Burundi are prepared to step back from the abyss. That is hard to tell. It is a small source of hope, but the one time Mrs. Albright's appeals to the Burundian officials met with a visible nod of recognition was when she told the army generals what the Liberian warlord Charles Taylor told her in Monrovia last week about the seven-year-old Liberian civil war: "I started it, and now I don't know how to stop it."

The New York Times.

Clinton's Annual Address Revealed a Severe Case of Amnesia

By George F. Will

WASHINGTON — President Bill Clinton struck the requisite tone of ambivalence Tuesday night. Any president entering the fourth year of his first term paints a picture of fragile grandeur: The state of the union is amazingly improved, thanks to his three years, but all gains could crumble if he is not retained.

President Clinton's protracted musings on Americans' current condition (was his speech the sort of thing the Founders hoped for from the constitution's provision that the president shall give Congress "information" concerning the state of the union?) will deserve at least a footnote in any history of American political flapdoodle, if only for his heroic amnesia concerning his preoccupations until now.

Three years ago he asked the national legislators, a majority of whom were Democrats, for enlarged government in the form of spending, called "investment," for economic "stimulus." Congress balked. Two years ago he asked the Democratic-controlled Congress to enlarge government by expanding its control of the one-seventh of the economy concerned with health care. His program would have been the largest and most intrusive permanent (that is, not counting President Richard Nixon's wage and price controls) peacetime expansion of government in American history.

Now, blithely proclaiming that "the era of big government is over," he embraces, or at least espouses, three of the central tenets of contemporary conservatism: Government spending must grow significantly slower than even the last Republican administration planned for it to grow. The budget must be balanced by a date certain. And the balance must be achieved entirely by cuts in spending, by new controls on the growth of entitlement programs that until recently were referred to as "uncontrollables" and the balance must be achieved with a simultaneous tax cut.

As a result, Republicans worry that he may have surrendered his way to a position of political strength and to the brink of reelection. That worry is premature and probably mistaken. But to the extent that it is plausible, it merely represents the working of the sort of political dialectic that brought the Democratic Party to tribulation.

The Democratic Party, the party of energetic government, was the prime mover behind government measures, such as the GI Bill and subsidized home mortgages, that made millions of Americans feel equipped for self-reliance, and thus less inclined to rely on the party of energetic government. Republicans, who respect markets, should not be amazed or dismayed by the fact that the political market works. They have persuaded the electorate to demand conservatism, and the president, who is nothing if not a believer in market research, wants to be seen as a supplier. So he stocked the start of his speech with homilies, large scoops of cultural conservatism expressed in pastoral counseling about spanking Hollywood, turning off television, visiting your children's schools and so on.

He has gone from "It's the economy, stupid" to "Come to think about it, it's the culture." He seems to have embraced the Barone Doctrine about the primacy of cultural questions. In "The Almanac of American Politics 1996," Michael Barone writes:

"When Americans were voting Republican in 1994, they were not voting against the economic elite, which was voting Republican also; they were voting against the educational elite, which was voting Democratic. That educational elite propagates ideas spread on a national basis, ideas which on their own could not win majority endorsement in the overwhelming majority of constituencies.

"Propagators of liberal cultural values have used government to impose them in every segment of American life. ... In a country where politics has divided voters less often on economic lines than on cultural lines — along lines of race, region, religion, ethnic group and cultural values — this is the norm, and is the kind of politics we should expect in the future."

November's election will turn on two questions: If Bill Clinton believes what he now says, when did he stop believing what he used to say? And how perishable are his latest beliefs?

Washington Post Writers Group.

Russia Ought to Know That Colonial War Is No Longer Won

By William Pfaff

PARIS — Russia has a colonial problem. It continues to deal with that problem in ignorance or indifference to the modern history of colonial problems.

Afghanistan was indirectly a colony after the Communist coup there in 1978 and the Soviet military intervention a year later. The Soviet army's unsuccessful war with nationalist and religious insurgents contributed, perhaps decisively, to the collapse of the Soviet system.

Fifty years ago the Dutch and French went to war to keep their colonies. They might retrospectively be excused for not realizing that World War II had ended the colonial era. (But Britain had, and left India.) It took four years of war in Indonesia to teach that lesson to the Dutch government, and for the Dutch to withdraw. It took from 1946 to 1954 for the French to learn the same lesson in Indochina.

The French later refused to admit that Algeria was a colony. They were like the Russians today in Chechnya. Algeria had been, legally, an integral part of metropolitan France since 1848. Chechnya has been part of Russia since the same period.

The French, like the Russians in the Caucasus, had to fight a continuing and inconclusive struggle against "tribal unrest" — meaning the refusal of a part of the population to accept subordination to a European Christian government. In 1954 the revolt became widespread, eventually producing Algeria's national independence in 1962.

Russia's occupation of the Caucasus has never been much of a success. (The ancient Greeks placed the struggles of Prometheus in the Caucasus.) Peter the Great first attempted to take the region from the Persians in the 18th century. His successors overran tribal principalities with sketchy allegiances to the Ottoman Turks. Georgia became a Russian province in 1801.

It took another 60 years to subdue the rest of the Caucasian peoples, and the region still was unsettled enough when Hitler invaded for collaboration with the German army to break out. In punishment, Stalin deported a large part of the Chechen and Ingush populations to Central Asia. They were allowed back in 1956, under Khrushchev.

Now Boris Yeltsin has managed to set not only Chechnya in rebellion against Russia, by his refusal to contemplate compromise with the newest generation of Chechen nationalists, but has inflamed anti-Russian sentiment in neighboring Dagestan, also Muslim, with a botched but devastating assault on the band of Chechen nationalists holding the border village of Pervomayskoye. The leader of the Chechen sympathizers who then hijacked a Turkish ferry headed for Russia said, "After this, the whole northern Caucasus will explode."

That may or may not happen, but it is a serious possibility, and the last thing Russia today needs. The kind of nationalist chest-pounding that Mr. Yeltsin indulges in ("We will crush them") recalls the sentiments of 19th century Russian administrators. "The only way to deal with this ill-intentioned people is to destroy it to the last."

Undestroyed, Chechen nationalists now pose a threat to the precarious balance of Russian government and society. The problem with colonial wars is that they tend to produce revolutions at home.

There is no excuse for Mr. Yeltsin not to have understood that. He lived through the unwon war in Afghanistan. That war contributed to creating the circumstances which brought him to power. He could have consulted his friends in Washington, to hear what another quasi-colonial war did to the United States, when the United States took over a struggle against Communist nationalists in Vietnam from the French.

But the Russian president has gone forward like a drunkard, lumbering toward the crash. One wants to cry out "Stop!" and "Wake up!" He is convinced that by the election of pro-Russian candidates in Chechnya in December he has legitimated what he is doing. But the elections took place in conditions of continuing and devastating Russian intervention (against "bandits"), which officially has thus far cost 50,000 lives.

In any case, as in Vietnam, the real problem is not legitimacy but feasibility — the likelihood of success. Can Mr. Yeltsin's war succeed? One could ask why Russians even want Chechnya, since they seem to despise the Chechens so. Yes, there is oil and natural gas in the Caucasus (as there was and is in Algeria), and energy infrastructure and pipelines. But rational balances have to be struck. Political and military costs must be weighed against economic return and political possibility.

Recent history has fairly convincingly demonstrated that European governments cannot expect to dominate culturally different and autonomous peoples originally brought under their control through invasion and imperial conquest. Certainly they cannot expect to do so once nationalist motivation has kindled military resistance on a major scale. They cannot do it, that is, without devastating costs to their own society.

But Chechen hostage-taking, and the pervasive sense of humiliation and national frustration felt by the Russian people today, have made Mr. Yeltsin's thundering threats popular, and he is preparing for a presidential election this spring. The past threatens the future in the new and democratic Russia.

International Herald Tribune.
© Los Angeles Times Syndicate.

At Last the Reality of Palestine

By Anton Shammas

ANN ARBOR, Michigan — For more than 100 years the Palestinians have never been given the right to speak out for themselves. Eight years ago they decided that it was time to be heard, and the intifada erupted. Last week, at long last, their *sawt* — the Arabic word for vote — became politically audible.

All those who were born into the Israeli occupation and raised on formulas of violence and counterviolence have now proved, to themselves and to their occupying neighbors, that a yearning among Palestinians for a civil society has endured.

The society they get might be flawed, and it will no doubt still be captive in one way or another to traditional loyalties. But three decades of bloody occupation, from within and from without, could have yielded worse results.

The elections were far from perfect. Independent and opposition figures did not have enough access to radio and television and were exposed to different forms of intimidation. In some districts, religious affiliations determined which candidates prevailed.

Still, no country in the Middle East (including Israel, the self-proclaimed sole democracy) can boast of such enthusiasm in practicing the right to vote, with voter turnout overall estimated at 70 percent. Or of such determination to translate the hollow rhetoric of its leadership into a democratic vocabulary.

And no other Arab country can boast of having a woman run for the presidency — Samiha Khalil, who was Yasser Arafat's only opponent.

The test for Palestinian women, however, will lie in their commitment to refuse the fate of their Algerian counterparts, who were asked in 1962, by leaders of that revolution, to go back to their kitchens once the war for independence was over. The presence of such representatives as Hanan Ashrawi in the Palestinian Council makes this galling prospect unlikely.

The achievements of the Palestinian leadership since the Oslo peace accords look meager indeed, juxtaposed with the defeat of the occupation by young Palestinians that began the intifada. Now this generation must take on the task of reminding the new president of the Palestinian Authority that positions of power depend on the people's trust.

One could argue that, as a national leader, the autocratic Mr. Arafat is one of the worst tragedies that the Palestinian people have suffered; and one could argue that the Oslo accord, and all the accords that followed, gave the Palestinians the worst deal ever; and one could argue that the dubious music of all the thorny issues — the status of Jerusalem and the settlements, the problem of the refugees and their right of return, which is not even mentioned in the accord — are yet to be faced.

But one could hardly ignore the resonating voice of the ballots, confirming the validity of the intifada and sending Israel an unequivocal message — peace only with equals!

Judging from what happened in Jerusalem on the day of the elections, when voters were videotaped by the Israeli police, it seems that the Israelis remember everything while learning nothing.

Jimmy Carter, who was in Jerusalem with a team to monitor the elections — and who asked the police to stop the videotaping — was interviewed by Daniel Zwerdling for National Public Radio the day after the vote, and he referred to Mr. Arafat as "the president of Palestine." When Mr. Zwerdling questioned the choice of words, Mr. Carter replied that Palestine was the right word to use.

The reporter then enlightened his listeners, having perused the relevant Oslo documents, that the former president was wrong: Palestine was nowhere to be found.

Be that as it may, names have their own independent power, and if someone is named the president of Palestine, then a defined territory bearing that name is bound to become a reality.

The writer, a novelist, contributed this comment to The New York Times.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: The Monocle

PARIS — Are French officers to be forbidden the wearing of a *monocle*? The question has come up before M. Cavaignac, the Minister of War, and is likely to be a burning one in military circles. The incident in question occurred in the center of France, when a cavalry lieutenant who wore the objectionable eyepiece was ordered by his colonel to desist. He did so, but having changed into another regiment again sported his monocle. His old commandant happened to meet him, however, and inflicted two days' arrest. The young officer's new colonel objected to this infringement of his authority and brought the case before M. Cavaignac. The latter has not yet given his decision.

1921: Consular Cut

WASHINGTON — The Finance Committee of the House, in its report returned to-day [Jan. 24], proposes the reduction by a quarter of the appropriation for the diplomatic and consular services. The Committee has authorised the money required to raise the Legation in China to the status of an Embassy. It also provided for the re-establishment of legations in Vienna and Budapest.

1946: Atomic Control

LONDON — The United Nations Organization voted today [Jan. 24] to establish an atomic control commission. Creation of the atomic commission was approved by the General Assembly by a vote of 47 to 0, with four nations absent, after speeches stressing the urgency had been made by statesmen, including Secretary of State James F. Byrnes and Andrei Vyshinsky, Soviet Russia's Vice-Commissar of Foreign Affairs.

OPINION/LETTERS

Some Parting Reflections On the Stalemated Senate

By William S. Cohen

WASHINGTON — Last week, I announced that I would not seek re-election to the Senate for a fourth term. I have been moved by the reaction of my constituents and colleagues. Many expressed sadness over my decision, and nearly all were perplexed. Why are so many leaving the Senate? How can the center hold? Won't the system fall apart?

It is not a case, to continue with Yeats's words, that "the best lack all conviction while the worst are full of passionate intensity." Such a construct presumes too much and maligns the character and capabilities of those who have recently arrived in Congress and those who have chosen to remain.

Those of us leaving the Senate do so for unique and deeply personal reasons. I suspect, however, that we share a common level of frustration over the absence of political accord and the increase in personal hostilities that now permeate the American system and society.

Increasingly, public officials face: too little time to reason and reflect; the hair-trigger presumption of guilt pulled at the slightest whisper of impropriety; the schizophrenia of a public that wants less government spending, more government services and lower taxes, and the unyielding demands of proliferating single-issue constituencies.

The United States, we know, was designed to be slow-moving and deliberative. The Founding Fathers were convinced that power had to be entrusted to someone, but that no one could be entirely trusted with power. They devised a brilliant system of checks and balances to prevent the tyranny of the many by the few. They constructed a perfect triangle of allocated and checked power, Euclidean in symmetry and balance. There could be no rash action, no rush to judgment, no legislative mob rule, no unrestrained chief executive.

The difficulty with this diffusion of power in today's cyberspace age is that everyone is in check, but no one is in charge.

But more than the constitutional separation of powers is leading to the unprecedented stalemate that exists today. There has been a breakdown in civil debate and discourse. Enmity at times has become so intense that members of Congress have resorted to shoving matches outside the legislative chambers. The Russian Duma, it seems, is slouching its way toward the Potomac as debate gives way to diatribe.

We are witnessing a gravitational pull away from center-based politics to the extremes on both the right and left. Those who seek compromise and consensus are depicted with scorn as a "mushy middle" that is weak and unprincipled. By contrast, those who plant their feet in the concrete of ideological absolutism are heralded as heroic defenders of truth, justice and the American way.

The departure of centrists from party ranks may be cheered by ideologues in the short term. But unless the American people are willing to embrace one-party-dominance and governance for extended periods, then elements within the liberal and conservative factions will necessarily move back to the center, toward compromise and, yes, consensus.

The American people are experiencing a great deal of anger and anxiety at this time. The stern virtues of self-discipline and fiscal prudence have given way to the soft vices of mindless consumption and selfish gratification. We are now paying for the wages of our sins, and ironically, our citizens are angry with political leaders who have indulged their appetites, purchased their votes and passed the bills to the next generation. The road to fiscal solvency and sanity will not be easy, and it surely will not be paved with the bloated promises or blandishments of political extremists.

I have devoted nearly a quarter of a century to public service and a search for common ground in a society that is growing in complexity and diversity. Although I have decided to enter the private world to pursue new challenges and opportunities, I remain convinced that the American political system will pass through this transitional phase and return to the center, the place where most people live and a democracy functions best.

The writer, a Republican senator from Maine, contributed this comment to The Washington Post.

Bosnians to be advised by retired U.S. military officers.

LETTERS TO THE EDITOR

The Full Quote

Regarding "Seoul, Jittery, Sees a Menace in North" (Dec. 21):

In this story taken from The Washington Post, I was incompletely quoted, giving readers the opposite meaning of what I intended to say.

I launched an Internet campaign to help the 500,000 flood victims in North Korea threatened by famine (http://shrine.cyber.ad.jp/mrosin/flood).

I visited three of the damaged areas in November and donated relief goods directly to the victims. I am continuing my campaign; on my next trip, in February, I will focus on donating rice to the same people, who are now facing famine.

The deletion, however, of an essential paragraph of the quote that appeared in the original article has given the impression that I disputed the reports of International Red Cross and World Food Program experts, which described the serious food shortage and imminent famine in North Korea.

Potential donors to my campaign, who have seen my appeal on the Internet, have written that they see no need to contribute since I myself was quoted saying the people are well-fed. This is not the case. In the complete quote, I added that many of the villages I visited had only a very short supply of rice left and could be shortly without food.

The following includes the full sense of my quote:

"'I did not see any hunger or malnutrition when I was there,' said Bernard Krisher, an American who lives in Tokyo and who spent two weeks in North Korea in late November delivering $25,000 worth of relief supplies he raised through an appeal on the Internet.

"Mr. Krisher said that in the worst-hit areas, including Sinuiju on the Chinese border, people still had food, electricity and heating fuel and were in good spirits. ...

"Although Mr. Krisher said he saw nothing immediately dire, he added that food stocks were limited. In some places, he said, there was only enough rice in warehouses to last a month. Without continued foreign aid, the situation could become much more desperate, he said."

BERNARD KRISHER.
Tokyo.

Prudence Counseled

Regarding "Wordy Ambassador" (Editorial, Jan. 17):

The editorial is right to the point. Quite obviously, no ambassador should publicly criticize any policies of his government. Diplomacy is best conducted in a quiet and discreet manner with only the final results made public, when that serves the national interest.

However, Senator Jesse Helms and other critics of U.S. diplomatic relations with the Holy See are in error. The United States, among more than 100 countries — most not Catholic — have ties with the Vatican for very practical reasons. The Vatican is a recognized moral, not to mention political, force in this world and it has long been judged of considerable value to deal with it on an official basis.

U.S. diplomats at the Vatican, quite rightly, do not involve themselves in ecclesiastical matters or lobby on behalf of the U.S. Catholic Church.

Unlike the United States, most non-Catholic countries will not appoint a Catholic as ambassador to the Holy See. Such countries as Britain, Germany and Canada feel that having a Catholic represent them risks an undesired emotional involvement as well as criticism from anticlerical groups at home. Perhaps the United States would do well to follow this prudent example.

ROBERT F. ILLING.
Porto, Portugal.

Idi Amin Goes Shopping In the Frozen Food Aisle

By Ted Gup

WASHINGTON — Twenty-five years ago this week, Idi Amin, the notorious former dictator of Uganda, seized power and began his eight-year reign of terror. Whatever happened to Idi Amin?

Before I began my private search for the elusive dictator some months ago, I imagined him living the life of a fugitive, hiding out in some remote corner of the earth, fearing extradition or assassination. I could not have been more wrong.

MEANWHILE

Mr. Amin has always held a fascination for me. He seemed the very incarnation of evil. Some wrote him off as an arrogant buffoon with a fourth-grade education, but that was before his Jan. 25, 1971, coup d'état, before he turned torture into a state-sanctioned business and before his innumerable stomach-turning atrocities came to light.

He had as many as 300,000 of his people butchered, exiled some 50,000 Asian residents, bankrupted his nation and created for himself a lasting place as the stereotypical African despot.

He once proclaimed himself "Conqueror of the British Empire," crowned himself the national heavyweight boxing champion and routinely scored goals on the soccer field as the opposing goalie stepped aside to oblige him out of fear for his life. Mr. Amin praised Hitler and boasted about a direct dialogue with God.

In the old days, dictators were held accountable for their crimes. They were shot or hanged and spat upon in the final act, à la Benito Mussolini. That was before the current Age of Impunity, when the likes of Haiti's Baby Doc Duvalier could retire to France, its Raoul Cédras to Panama and the Philippines' Ferdinand Marcos could languish in Hawaii.

Against such a forgiving landscape, who could blame Serbia's Radovan Karadzic if he scoffs at talk of a war crimes tribunal and dreams of his own Gucci exile?

From Ugandan newspaper reporters in Washington and Kampala, I learned that Mr. Amin was in Saudi Arabia. He'd been there for years, a protected guest of the state. His invitation to that country was based in no small measure, I was told, on his deep Muslim faith and on his pledge to keep a low profile.

Several Saudi reporters in Riyadh told me that Mr. Amin, now approaching 70, was living the good life in Jidda. My ultimate goal was to talk to Mr. Amin and to ask what burdens of exile he carried.

It took me a while to confirm Mr. Amin's whereabouts from the State Department, possibly because State does not want to embarrass the Saudis.

An American lawyer stationed in Jidda tells me he often bumped into the 300-pound Amin in the aisles of a supermarket that is a favorite with expats. "A number of my friends say they have met him there in the frozen food aisle."

To many Ugandans, he remains what he has always been — a threat. There are always rumors in Kampala of his attempting a comeback and of the nightmare playing itself out again.

Ugandan officials told me that Mr. Amin is deeply homesick but unwilling to face the inevitable charges and inquiries that await him there.

After a wait of several weeks, a contact of mine in Kampala returned to me with a slip of paper on which was penned Mr. Amin's home phone number in Jidda. I called late that evening. A woman answered. I identified myself as a writer and explained that I was eager to interview Mr. Amin.

"You are calling him to speak about what?" she asked. I said that I wanted to talk to Mr. Amin about his life after Uganda. "I'll check to see if he's in," said the woman. In the background I could plainly hear her talking to a man who answered with a thunderous voice.

A moment later the woman returned, saying Mr. Amin was out. "Any message?" I said I would call back, which I did, every other night for two weeks. Always it was the same exchange.

The best that I can do is share with the world his home phone number: 966-2-693-3178.

The writer, who teaches journalism at Georgetown University, contributed this comment to The Washington Post.

Fund facts via fax.

The International Herald Tribune iFAXFUNDS service is an instant response fax service bringing you fund information 24 hours a day, 7 days a week from anywhere in the world.

How to use iFAXFUNDS

1. Check the *Menu of Services* and locate the information you need. Using the touch-tone mode on your fax machine, lift the handset and dial the *Main Access Number* as follows:
2. *In Hong Kong: 170 67 5 545* *Elsewhere: +852 172 75 545*
3. Follow the recorded instructions, input the appropriate *five digit code as from the list below, followed by the hatch (#) key.*
4. Press the *star (*) key* to receive the document. You can request up to five documents with each single access to the system.
5. Finally, after you hear the tone, press *start* on your fax machine and replace the handset. Your information will be delivered instantly.

Some funds and their codes...

MENU OF SERVICES

iFAXFUNDS MAIN MENU
Document code 82700

GAM GLOBAL ASSET MANAGEMENT
Dialling from the U.S. 82500
Dialling from the U.K. & Germany 82501
From elsewhere 82502

BARING INTERNATIONAL FUND MANAGERS (Ireland) Ltd
Intermediaries 82503

GUINNESS FLIGHT
Document code 82504

GAIACORP CURRENCY MANAGERS
Document code 82505

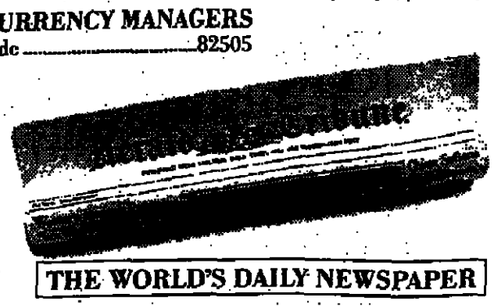
TITAN CAPITAL MANAGEMENT
Document code 82506

Ueberseebank, Zurich-Switzerland
Document code 82507

INVESCO
Document code 82508

REPUBLIC FUNDS
Document code 82509

OLD MUTUAL INT'L FD MANAGERS
Document code 82510



THE WORLD'S DAILY NEWSPAPER

Your Guide To Over 130 Top French Companies

FRENCH COMPANY HANDBOOK 1995

Published by the International Herald Tribune, in coordination with the Paris Stock Exchange, the 1995 edition includes detailed profiles of all the companies in the SBF 120 Index.

The SBF 120 Index includes the CAC 40 plus 80 other major firms. These are the companies to watch in the coming years.

Each profile includes: head office, CEO, investor relations manager, company background and major activities, recent developments, sales breakdown, shareholders, subsidiaries and holdings in France and internationally, 1990-1994 financial performance, and recent stock trading history.

French Company Handbook is updated annually for financial analysts, institutional investors, corporate, government and banking executives, and documentation services – anyone who needs to know about the leading companies in the world's fourth-largest economy.

SBF 120 INDEX:

ACCOR
AGF
AIR LIQUIDE
ALCATEL ALSTHOM
ALCATEL CABLE
AXA
BERTRAND FAURE
BIC
BNP
BOLLORÉ TECHNOLOGIES
BONGRAIN
BOUYGUES
CANAL+
CAP GEMINI SOGETI
CARNAUDMETALBOX
CARREFOUR
CASINO
CASTORAMA
CCF
CETELEM
CGIP
CHARGEURS
CLARINS
CLUB MÉDITERRANÉE
COLAS
COMPAGNIE BANCAIRE
COMPAGNIE GÉNÉRALE DES EAUX
COMPAGNIE DES SIGNAUX
COMPTOIRS MODERNES
CPR
CRÉDIT AGRICOLE IDF
CRÉDIT FONCIER DE FRANCE
CRÉDIT LOCAL DE FRANCE
CRÉDIT LYONNAIS
CRÉDIT NATIONAL
DANONE
DE DIETRICH
DESCHÉMONT
DMC
DOCKS DE FRANCE
ECCO
ECIA
ERFAGE
ELF AQUITAINE
ERIDANIA BÉGHIN-SAY
ESSILOR INTERNATIONAL
ESSO
EUROFRANCE
EURO DISNEY S.C.A.
EURO RSCG
EUROPE 1 COMMUNICATION
EUROTUNNEL S.A.
FILATURES DE MEDIAS
GAN
GAZ ET EAUX
GTM-ENTREPOSE
GUYENNE ET GASCOGNE
HAVAS
IMÉTAL
INTERBAIL
JEAN LEFEBVRE
LAFARGE
LAGARDÈRE GROUPE
LAPEYRE
LEGRAND
LEGRIS INDUSTRIES
LVMH
LYONNAISE DES EAUX
MICHELIN
MOULINEX
NAVIGATION MIXTE
NORD-EST
L'ORÉAL
PAGESJAUNES
PECHINEY CIP
PECHINEY INTERNATIONAL
PERNOD RICARD
PEUGEOT
PINAULT-PRINTEMPS-REDOUTE
PLASTIC OMNIUM
POLIET
PRIMAGAZ
PROMODÈS
RÉMY COINTREAU
RENAULT
REXEL
RHÔNE-POULENC
ROUSSEL UCLAF
SAGEM
SAINT-GOBAIN
SAINT LOUIS
SALOMON S.A.
SANOFI
SCHNEIDER S.A.
SEB S.A.
SEFIMEG
SCE
SIDEL
SIMCO
SITA
SKIS ROSSIGNOL
SLIGOS
SOCIÉTÉ GÉNÉRALE
SODEXHO
SOMMER ALLIBERT
SOMMC
STRAFOR FACOM
SUEZ
SYNTHÉLABO
TECHNIP
TF1
THOMSON-CSF
TOTAL
UAF
UAP
UNIBAIL
VALEO
VALLOUREC
WORMS ET CIE
ZODIAC

PLUS THESE COMPANIES:

AÉROPORTS DE PARIS-ADP
CAISSE DES DÉPÔTS ET CONSIGNATIONS
CEGELEC
CNP
COFLEXIP STENA OFFSHORE
ELECTRICITÉ DE FRANCE
ELF ATOCHEM
GAZ DE FRANCE
SEITA
SEMA GROUP
SNCF

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

SBF · PARIS BOURSE

Return your order to International Herald Tribune Offers, 37 Lambton Road, London SW20 0LW, England

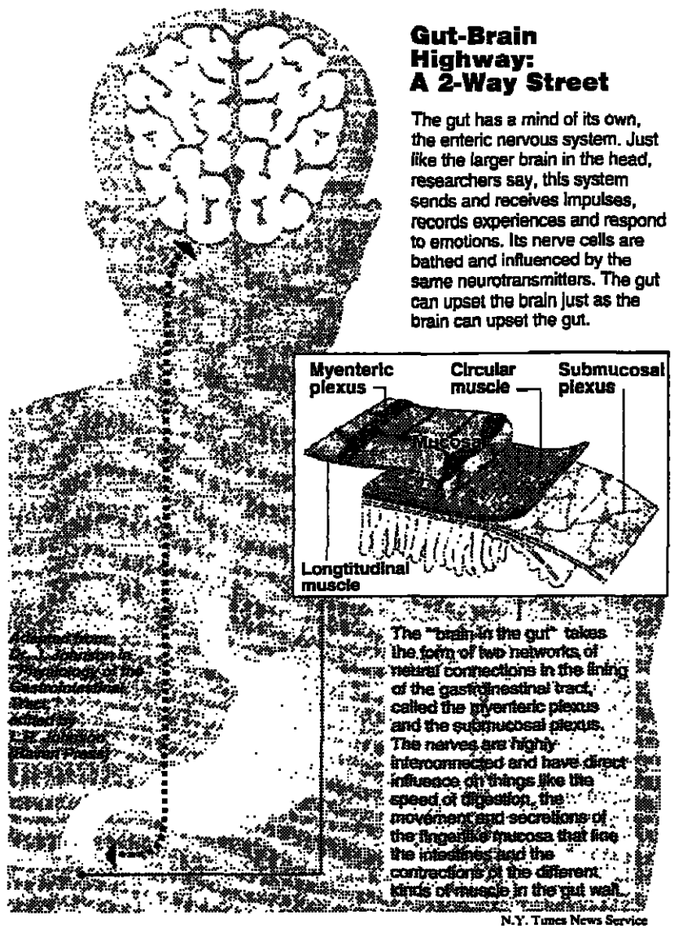
25-1-96

For faster service, fax order to: (44-181) 944-8243

Please send me _____ copies of French Company Handbook 1995 at UK£50 (US$75) per copy, including postage in Europe.
Three or more copies, 20% reduction.
Outside Europe, postage per copy: North America/Middle East £3.50. Rest of world £6.
Please charge to my credit card:
☐ Access ☐ Amex ☐ Diners
☐ Eurocard ☐ MasterCard ☐ Visa
Payment by check in pounds Sterling only (to the order of Paul Baker Publishing Ltd.).

CARD N° _____ EXP. _____
SIGNATURE _____
(necessary for credit card purchases)
NAME (IN BLOCK LETTERS) _____
POSITION _____
COMPANY _____
ADDRESS _____
CITY/COUNTRY/CODE _____
COMPANY EC VAT ID No. _____

HEALTH/SCIENCE



Gut-Brain Highway: A 2-Way Street

The gut has a mind of its own, the enteric nervous system. Just like the larger brain in the head, researchers say, this system sends and receives impulses, records experiences and respond to emotions. Its nerve cells are bathed and influenced by the same neurotransmitters. The gut can upset the brain just as the brain can upset the gut.

The "brain in the gut" takes the form of two networks of neural connections in the lining of the gastrointestinal tract, called the myenteric plexus and the submucosal plexus. The nerves are highly interconnected and have direct influence on things like the speed of digestion, the movement and secretions of the digestive mucosa that line the intestines and the contractions of the different kinds of muscle in the gut wall.

N.Y. Times News Service

There's a 'Brain' Behind Gut Feelings

By Sandra Blakeslee
New York Times Service

NEW YORK — Ever wonder why people get "butterflies" in the stomach before going on stage? Or why an impending job interview can cause an attack of intestinal cramps? And why do antidepressants targeted for the brain cause nausea or abdominal upset in millions of people who take such drugs?

The reason for these common experiences, scientists say, is because humans have two brains — the familiar one in the skull and a lesser known but vitally important one in the gut. The two brains are interconnected; when one gets upset, the other does, too.

The gut's brain, known as the enteric nervous system, is located in sheaths of tissue lining the esophagus, stomach, small intestine and colon. Considered a single entity, it contains neurons, neurotransmitters and proteins that send messages between neurons, support cells like those found in the brain proper and a complex circuitry that enables it to act independently, learn, remember and produce gut feelings.

The brain in the gut plays a major role in human happiness and misery. But few people know it exists, said Dr. Michael Gershon, a professor of anatomy and cell biology at Columbia-Presbyterian Medical Center in New York. For years, people who had ulcers, problems swallowing or chronic abdominal pain were told that their problems were imaginary or emotional, he said. Doctors were right in ascribing these problems to the brain, Dr. Gershon said, but they blamed the wrong one. Many gastrointestinal disorders like colitis and irritable bowel syndrome originate from problems within the gut's brain, he said. And the current wisdom is that most ulcers are caused by a bacterium, not by hidden anger.

Symptoms stemming from the two brains get confused, Dr. Gershon said.

Details of how the enteric nervous system mirrors the central nervous system have been emerging in recent years. Nearly every substance that helps run and control the brain has turned up in the gut, he said. Major neurotransmitters like serotonin, dopamine, glutamate, norepinephrine and nitric oxide are there. Two dozen small brain proteins, called neuropeptides, are in the gut, as are major cells of the immune system. Enkephalins, one class of the body's natural opiates, are in the gut. And in a finding that stumps researchers, the gut is a rich source of benzodiazepines, the family of psychoactive chemicals that includes such drugs as Valium and Xanax.

In evolutionary terms, it makes sense that the body has two brains, said Dr. David Wingate, a professor of gastrointestinal science at the University of London and a consultant at Royal London Hospital. The first nervous systems were in tubular animals that stuck to rocks and waited for food to pass by, he said. As life evolved, animals needed a more complex brain and so developed a central nervous system. But the gut's nervous system was too important to put inside the newborn head with long connections going down to the body, Dr. Wingate said. Offspring need to eat and digest food at birth. Therefore, nature seems to have preserved the enteric nervous system as an independent circuit inside higher animals. It is only loosely connected to the central nervous system and can mostly function alone.

This is indeed the picture seen by developmental biologists. A clump of tissue called the neural crest forms early in embryogenesis, Dr. Gershon said. One section turns into the central nervous system. Another piece migrates to become the enteric nervous system. Only later are the two nervous systems connected via the vagus nerve.

AS LIGHT is shed on the circuitry between the two brains, researchers are beginning to understand why people feel the way they do. When the central brain encounters a frightening situation, it releases stress hormones that prepare the body to fight or flee, Dr. Gershon said. The stomach contains sensory nerves that are stimulated by this chemical surge, hence the "butterflies." But fear also causes the vagus nerve to "turn up the volume" on serotonin circuits in the gut. Thus overstimulated, the gut goes into higher gear and diarrhea results. Similarly, people sometimes "choke" with emotion. When nerves in the esophagus are highly stimulated, people have trouble swallowing. Stress signals from the head's brain can also alter nerve function between the stomach and esophagus, resulting in heartburn.

U.S. Grants to Foreign Doctors Under Fire

By Stuart Auerbach
Washington Post Service

WASHINGTON — A committee of health experts has recommended that the U.S. government stop subsidizing the advanced training of foreign-educated doctors in the United States, saying a recent influx of medical graduates from abroad was the chief *cause of an impending national surplus* of physicians.

The committee also advised young Americans who want to become doctors to think twice about going to medical school, because the increasing surplus of physicians, combined with strict controls on health-care costs, could make it hard for them to earn a living. "The time and money" it takes to become a doctor "may represent a poor personal investment on their part," said Neal E. Vanselow, professor of medicine at Tulane University and co-chair of a committee of the National Academy of Science's Institute of Medicine that studied the U.S. physician work force.

The warning came as increasing numbers of U.S. college graduates are clamoring for admission to the 125 American medical schools.

Last year's total of 45,365 applicants was about 50 percent higher than five years ago, although the number of places available — about 17,000 — has remained steady.

While the 12 members of the committee differed on the question of *whether there is already a doctor surplus*, they agreed there would be an oversupply of physicians in the near future.

The committee attributed the surplus to a sharp increase over the past five years in the number of medical graduates from abroad who are receiving federally subsidized advanced training in the United States and staying on to practice medicine. From 1988 to 1993, the number of foreign-educated doctors in advanced training increased by 80 percent to 22,706. Seventy-five percent of such physicians remained in the United States to practice, the committee found.

It recommended that the government should only provide funding to support the number of advanced training positions needed by graduates of U.S. medical schools.

The committee found no reason for maintaining incentives for foreign medical graduates to receive training and be allowed to practice in the United States "while curtailing opportunities for the nation's own youth to enter into a distinguished profession."

IT said the medical education received by graduates of foreign schools was inferior to that provided by in U.S. medical schools. "The potential displacement of U.S.-educated physicians by foreign-trained physicians is regarded with dismay by this committee," the report stated.

Nonetheless, Dr. Vanselow and co-chair Don E. Detmer, senior vice president of the University of Virginia, denied that the committee meant to eliminate all training for highly qualified foreign medical-school graduates, saying hospitals could still bring them into postgraduate training using funds from nongovernment sources.

The committee's recommendation comes as the United States is in the midst of a powerful anti-immigration backlash that has spawned legislation in the House and the Senate, largely sponsored by Republicans but with some bipartisan support, to curtail both legal and illegal immigration, including immigration for employment.

Foreign medical graduates play a major role in providing care in many hospitals that care for the poor, and the committee recommended federal funding to replace those doctors with U.S.-trained physicians or other health-care providers.

The committee also recommended a freeze in the number of medical schools in the country and in the size of their classes.

Its recommendations are far less *sweeping than those of other recent* commissions. One, by the Pew Charitable Trusts' Health Professions Commission, called for closing one in five U.S. medical schools and sharply shrinking the number of doctors, nurses and pharmacists.

Abortion May Raise Breast Cancer Risk

By David Brown
Washington Post Service

WASHINGTON — Women who have had an abortion *or a miscarriage have a* slightly increased risk of contracting breast cancer later in life, according to a new study.

The loss of a fetus, either by intent or by chance, appears to join marital status, place of residence and religion as a small but measurable contributor to a woman's chances of developing breast cancer. The authors of the study, however, hedged *this conclusion*, saying their findings could also be a product of "selective memory" in the women interviewed for research.

"A history of any pregnancy termination may be associated with a slightly increased risk of breast cancer," a team of epidemiologists wrote in Wednesday's Journal of the American Medical Association.

"*However, these results do not support* a major role of induced abortion in breast cancer incidence."

Numerous previous studies have suggested a weak link between abortion and breast cancer, although some have not. *The equivocal results suggest that any* association between the procedure and the disease is so small that it is barely detectable, even when large populations of women are studied. Few of a woman's "risk factors" for breast cancer can be modified.

It seems unlikely that many women would carry an unwanted pregnancy to term in order to decrease slightly the *chance that an unlikely event* (such as getting breast cancer) will occur. Nevertheless, opponents of abortion periodically use the procedure's hazards to support their cause.

The new research involved about 16,000 people in Wisconsin, Massachusetts, New Hampshire and Maine. Polly A. Newcomb at the Fred Hutchinson Cancer Research Center, in Seattle, *and colleagues at several other institutions*, compared the rate of abortion and miscarriage in two groups — women diagnosed with breast cancer, and women who had never had breast cancer.

The researchers found that women *with a history of abortion or miscarriage* had a 12 percent higher risk of developing breast cancer than women who had experienced neither of those events. If only women with abortions were considered, the risk was 23 percent higher. (In comparison, a strong family history of breast cancer raises a woman's risk 200 to 600 percent.)

The number of women likely to develop breast cancer *is quite small*. For example, among every 100,000 American women under 65, there will be 37.7 new cases of breast cancer in a given year. Using the new study's findings, that number would rise to 42.2 new cases if every woman had lost a pregnancy. It would rise to 46.4 if every woman had had an abortion.

During pregnancy, cells in breast tissue *multiply greatly and, near delivery*, reach their mature, or "differentiated," state. An abortion or miscarriage interrupts that process, which may make cancer more likely, some researchers say.

Curiously, Dr. Newcomb and her colleagues found that women who had had an abortion before the procedure became legal in 1973 seemed to be at greater risk for cancer than those who had had abortions later. There is no obvious biological reason for this observation.

Women who have breast cancer "typically are likely to comply with medical research directed at understanding their illness," the authors wrote. Such women, consequently, are more likely to remember or to be candid about an unpleasant (or illegal) event such as an abortion. Randomly selected women have no such motivation to answer probing questions, and as a group they may tend to underreport abortions. In the case of the new study, the women with cancer may have been more likely than women without it to tell researchers they *had once had an illegal abortion.*

Revenge Is Sweet for Yves Saint Laurent

Christopher Moore

Feathers and lace from YSL.

By Suzy Menkes
International Herald Tribune

PARIS — "Hideous!" was the verdict of the International Herald Tribune 25 years ago when Yves Saint Laurent sent out 1940s-inspired clothes with Carmen Miranda turbans.

"This was my son's revenge," said Lucienne Saint Laurent on Wednesday as the bravos rang out for her son's remix of his 1971 collection that had been mauled by both critics and clients.

The upbeat show, jauntily presented to 1940s swing music, was like seeing the pretty young offspring of old friends: the politically correct fluttering feather versions of chubby fox coats from the 1970s; or safari suits made in chalky pastels.

The carmine lips, Victory Roll hairdos and platform-soled shoes even gave spirit to Saint Laurent's momsy floral-print dresses which were ruched close to the body. And although hot pants may never be ready for a comeback, Saint Laurent offered them as a shorts take on his signature black tuxedo pantsuit.

In its first incarnation, the Carmen Miranda look defined a fashion moment. This reprise was just about pretty summer clothes touched with Saint Laurent's sublime color sense and effortless technique. At night, there were dresses wafted with feathers, and a ravishing green, gold and white bride entwined with lilies and ivy like a Pre-Raphaelite princess.

You have to wonder how long Saint Laurent can go on sampling his own past — even if other designers have been mining his 1970s archive. The show's wittiest fashion history lesson was the re-creation of a saucy black dress with a lacy cut-out derriere, immortalized in a photograph of Catherine Deneuve.

The original Carmen Miranda inspiration is in dispute.

"Those stars from the Hollywood movies," Saint Laurent said backstage. But Paloma Picasso insisted that

PARIS FASHION

a flea-market 1940s dress she had worn to a party was the spur.

"The 1940s is always me," claimed Lucienne Saint Laurent. "He remembers his mother from how I dressed when he was a child and I played the coquette."

Wednesday was a day for looking back. But Balmain's 50th anniversary show ended with a bride scattered with the house's signature violets and a statement about the future: Oscar de la Renta is to stay as designer at Balmain.

The American designer has turned a jolie madame into a jolie mademoiselle over the last seven seasons. But is prettiness quite enough as the mainstay of a couture collection?

You could see de la Renta mentally ticking away at his upscale client list as he turned out the designs: the chic white tunic and black skirt so right for his friend Pam (Ambassador Harriman was seated second row); user-friendly coats and crisp navy-and-white suits for ladies who pick over lunch.

De la Renta turned a few couture tricks, like the wavy horizontal chiffon dresses falling like rain-washed petals from the waist or the little black dress with its skirt a ball of tulle.

The short, smart daywear worn with pale hose and shoes and the vaguely exotic evening caftans looked straight out of de la Renta's Seventh Avenue collection.

And maybe that is intentional. The designer said backstage that there was "a lot of synergy" between the two companies, hinting that his new contract with Balmain might envisage a cooperation, perhaps on the perfume side or for international distribution.

The rising sun above Mount Fuji made a dramatic backdrop and a fashion point at Hanae Mori's show. Although the Japanese designer is part of Paris couture (open-paneled or lantern-circle skirts even recalling early Pierre Cardin), she always has an Oriental touch.

That came through in delicate pen strokes scribbled on a long white dress and in the floating kimono effects, as well as in her delicate color sense.

For Guy Laroche, it is adieu to haute couture. Michel Klein's static collection of linear, all-white clothes had a nostalgic sense of early 20th-century modernism, and the display by Andrée Putman was appropriately shown in a room draped in black gauze like a widow's veil.

BRIDGE

By Alan Truscott

PLAYING in Rio de Janeiro, Brazilian veteran star Gabriel Chagas offered up a cunning illusion.

He sat East and his opponents reached three no-trump after South made a forcing one no-trump response to one spade. With the minor suit honors well placed, it appears that South has no trouble.

But after a heart lead to the king, Chagas made a clever shift to a low club. His partner cooperated by playing the ten, and dummy won with the queen. It now seemed to South that there was a club suit headed by the A-J on his right. In that case a losing diamond finesse would be fatal, so he chose to try for spades.

He entered his hand with a heart to the queen and took a spade finesse. This won, as Chagas played low smoothly. South would have succeeded if he had continued spades, or *if he had taken a diamond* finesse, but he was gripped by the illusion. He led a diamond to the ace and repeated the spade finesse.

Chagas pounced. He took his spade king, cashed the diamond king to deprive dummy of an exit card, and led a spade. Dummy took four tricks in the major suits, but had to lead away from the club king at the finish, giving the defense five tricks for down one.

Chagas's team gained 10 imps, for in the replay East returned a pedestrian heart at the second trick and South had no trouble.

NORTH (D)
♠ A Q J 10 5
♡ A 9 3
◇ 8 4
♣ K Q 7

WEST
♠ 7 2
♡ 8 7 6 5 4 2
◇ 6
♣ A 10 5 2

EAST
♠ K 9 8 3
♡ K J
◇ K J 9 3
♣ J 8 3

SOUTH
♠ 6 4
♡ Q 10
◇ A Q 10 7 5 2
♣ 9 6 4

Both sides were vulnerable. The bidding:

North	East	South	West
1 ♠	Pass	1 N.T.	Pass
2 ♣	Pass	2 ◇	Pass
2 N.T.	Pass	3 N.T.	Pass
Pass	Pass		

West led the heart five.

BOOKS

A TALENT FOR TROUBLE: The Life of *Hollywood's Most* Acclaimed Director, William Wyler

By Jan Herman. 517 pages. $35. Putnam.

Reviewed by
Dennis Drabelle

JAN HERMAN ends this biography on an upbeat note, with a quote from the screenwriter Philip Dunne's eulogy at William Wyler's funeral in 1981. One day, Dunne recounted, his 9-year-old daughter brought glad tidings to her sisters: "Willy's coming to dinner! Willy's coming to dinner!" "Not Mr. Wyler," Dunne emphasized. "Willy." This anecdote, Wyler's wife commented, "told it all."

Sweet. Unfortunately, though, it flies in the face of virtually everything Herman has reported about William Wyler in the previous 466 pages. *He was a scrappy im*migrant from Alsace-Lorraine (and "Willy" until he came to America, where it rang too flippant for a first name) whose movies included "Dodsworth," "Jezebel," "The Letter," "The Little Foxes," "The Best Years of Our Lives" and "Ben-Hur" and whose total of Oscars and Oscar nominations was greater than any other Hollywood director's. He may have endeared himself to the occasional 9-year-old, but he was an autocrat to his own *children and a bugbear to his* actors. What truly tells it all is the director's standard technique for eliciting the performance he wanted: ordering retake after retake — 50 came nowhere near his record — until the beleaguered actor's face was creased by an emotional shading that flicked a light on in Wyler's head.

The author offers at least three explanations for these pileups of takes. Sometimes Wyler was being canny: The anger or disgust evoked in an actor by so many repetitions was precisely the emotion Wyler sought but presumably *couldn't get simply by asking* for it. Other times, Herman suggests, Wyler was simply indulging in sadism. Thirty years after making "The Big Country" with him in 1958, the actress Jean Simmons told her manager that Wyler was "very, very cruel and hurt her deeply." On yet other occasions Wyler sensed that something was wrong with a shot but couldn't put his finger on it. He would make the actors redo the scene until some accidental nuance welled up to rescue them all.

Herman delves into some of these bouts of near-paralysis on the sound stage. One occurred during the filming of "The Heiress," an adaptation of the Henry James novella "Washington Square." Playing Catherine Sloper, the movie's frumpy title character, who has been jilted by her suitor (Montgomery Clift), Olivia de Havilland has a scene in which she lugs her suitcase back up to her room after waiting in vain for Clift to show up for their elopement.

"It was a climactic moment," Herman writes, "and Wyler did not like the feeling the actress conveyed. He made her retake the scene so many times, she felt worn out from trudging up and down the steps. In anger she tossed the suitcase to the floor, then picked it up and threw it at him. Wyler grinned. Now he knew why the scene had not been working. The suitcase was empty. He ordered it filled with books and made de Havilland climb the stairs yet again. Now she could barely lift the suitcase. Catherine's exhaustion became palpable. Her humiliation and despair seemed to tug at her. She looked like she was dragging herself up from the bottom of the sea. This was the effect Wyler was after."

A reporter for the Los Angeles Times, Herman does justice to a long and crowded life in a book of reasonable length. Among the most stimulating passages are those sketching the standoffs between Wyler and the producer Samuel Goldwyn, who needed Wyler to imbue his movies with the "class" he craved but who was equally dictatorial and, at least when it came to salaries, a skinflint to boot.

But Herman has not avoided the biographer's pitfall of losing perspective on his subject — specifically, in this case, his subject's work. Herman laments that Wyler's reputation has suffered unfairly by comparison with that of, say, Alfred Hitchcock or *Howard Hawks because*, unlike them, he was not an artist whose oeuvre "may be seen as a theme with variations." Yes, that's part of it: For most of his career Wyler worked with material that came to him packaged (often from novels and plays to which Goldwyn had bought the rights).

Wyler's shortcomings, however, go deeper than that. Today most of his movies seem safe and overstuffed, with some of the performances suffering from a bloodlessness that surely derives from those plethoric takes.

The main reason for the disparity between Wyler's shelf full of awards and his lowercase critical reputation today is probably this: Audiences have become steadily less infatuated with the glossy production values, book-borrowed shapeliness and measured acting that Sam Goldwyn and Willy Wyler equated with "class."

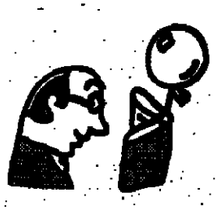
Dennis Drabelle, a writer and editor, wrote this for The Washington Post.

WHAT THEY'RE READING

• **Bruce R. Orchid,** chairman of the Washington State Arts Commission, has just finished reading *"The Dreyfus Affair: A Love Story,"* by Peter Lefcourt.

"I really couldn't put it down. It has got my interest up in reading novels again."

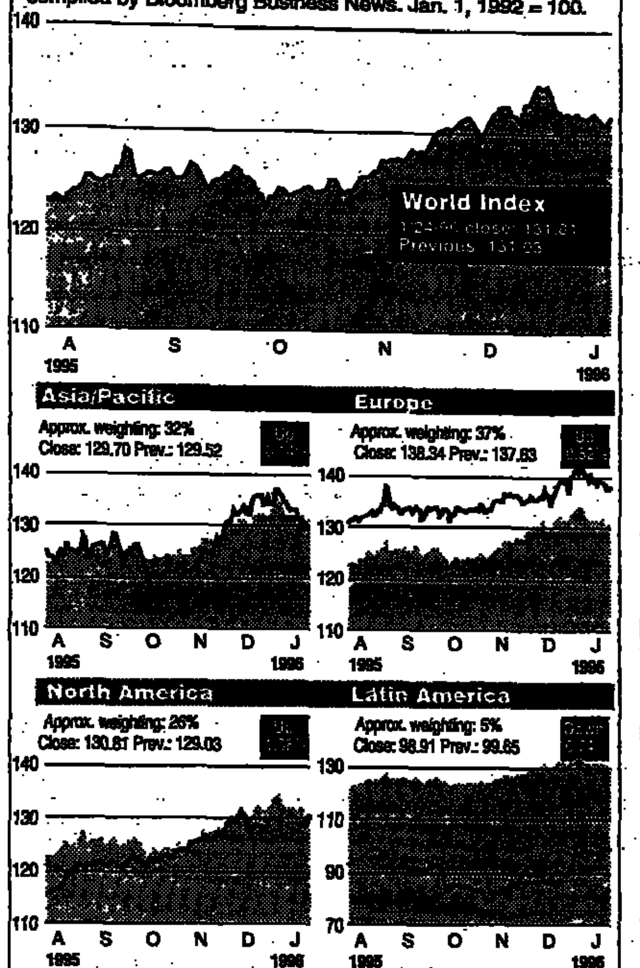
(IHT)



INTERNATIONAL Herald Tribune
BUSINESS / FINANCE
THURSDAY, JANUARY 25, 1996

THE TRIB INDEX 131.81

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



World Index

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Wed. close	Prev. close	% change		Wed. close	Prev. close	% change
Energy	133.00	132.50	+0.38	Capital Goods	135.83	134.30	+1.14
Utilities	129.73	130.22	−0.38	Raw Materials	143.79	142.31	+1.04
Finance	123.05	122.53	+0.42	Consumer Goods	139.35	137.99	+0.99
Services	122.48	122.42	+0.05	Miscellaneous	140.64	140.15	+0.35

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

© International Herald Tribune

Japan's Shrinking Giant

Trade Surplus Narrows for First Time in 5 Years

By Andrew Pollack
New York Times Service

TOKYO — Japan's giant overall trade surplus shrank in 1995 for the first time in five years, led by a substantial narrowing in the politically sensitive gap with the United States, the goverment said Wednesday.

Analysts said the decline was likely to continue, helping to ease tensions with Japan's trading partners and keep the dollar strong.

Japan's merchandise trade surplus, the difference between exports and imports, fell 11.4 percent to $107.1 billion, the Ministry of Finance reported.

Behind the decline was the yen's rise in recent months, which encouraged imports ranging from U.S. personal computers to Australian beef, while crimping such Japanese exports as cars and videocassette recorders.

The surplus with the United States fell 17 percent, to $45.6 billion, also its first decline in five years. But in recent months the decline has been far sharper, and December data issued Wednesday showed a 35 percent drop. In the next year or two, China is projected to replace Japan as the country with which the United States has the largest trade deficit.

Already, there is some easing of tensions between Tokyo and Washington. The administration of President Bill Clinton, which has spent much of its time in office calling Japan an unfair trader, is now publicizing how fast exports of American products to Japan have been growing.

The figures released Wednesday are calculated on what is known as a customs-clearance basis, which means that freight and insurance charges are included in imports. This tends to understate Japan's overall trade surplus by about $20 billion, compared with the more commonly used balance-of-payments calculation. Nevertheless, the trend is the same by any measurement.

"It's pretty clear there's a downward trend in motion," said Edward Lincoln, economic adviser to Walter F. Mondale, the U.S. ambassador to Japan.

Japan projects that its current-account surplus, a broader measure of trade in goods and services and capital flows, will drop to 2 percent of its gross domestic product in the coming fiscal year, from more than 3 percent a few years ago. The 2 percent level is one that Washington had urged Japan to set as a goal a few years ago.

Imports surged 22.3 percent in 1995, despite Japan's economic slump, indicating that markets have been opening up at least a little to foreign manufacturers who have complained of being locked out. The surge in imports far outpaced a 12 percent rise in exports.

Imports of cars rose 28.8 percent, to 388,162 vehicles, according to the Japan Automobile Importers Association, which said imports account for 10 percent of the market for full-sized passenger cars.

Foreign manufacturers accounted for 26.2 percent of Japan's semiconductor market in third-quarter 1995, exceeding the 20 percent goal set by the 1991 trade pact between Washington and Tokyo.

When measured in yen, Japan's trade imbalance has been falling since 1993. But because the yen has been becoming worth more dollars, the surplus reported in dollars continued to grow until last year.

Wells Fargo Wins $11.6 Billion Bid For First Interstate

Compiled by Our Staff From Dispatches

LOS ANGELES — Wells Fargo & Co. on Wednesday won a three-month hostile bid to buy First Interstate Bancorp for $11.6 billion in stock in what is the biggest U.S. bank takeover.

The deal also ends a rival agreement by First Bank System Inc. of Minneapolis, to acquire Los Angeles-based First Interstate. First Bank now stands to receive $200 million in fees for the termination of its friendly takeover bid.

The acquisition will form the eighth-largest U.S. bank, with $108 billion in assets spread across 13 states, catapulting Wells Fargo into a major rival across the West to BankAmerica Corp., the No. 2 U.S. bank.

"It's going to be a powerhouse," said George Salem, an analyst at Gerard Klauer Mattison.

But the acquisition will come at a price. Wells Fargo plans to slash costs by $1 billion by eliminating 7,000 jobs. About 85 percent of First Interstate's 5,900 California jobs will go, and 350 of 450 branches will be shut.

As expected, San Francisco-based Wells Fargo will pay two-thirds of a share of its stock for every First Interstate share. The name First Interstate, whose predecessors date back to 1904, will disappear, with the new bank to be called Wells Fargo & Co.

Wells Fargo's offer is higher than First Bank's $9.91 billion bid. The price exceeds the last record bank acquisition, Chemical Banking Corp.'s $10 billion purchase of Chase Manhattan Corp. with assets of $315 billion

Investors applauded the deal, sending Wells Fargo shares up 87.5 cents, to $229.375, in New York trading. First Interstate climbed $2.25, to $149.25. First Bank stock rose $1.50, to $51.75.

"This transaction is a clear win for First Interstate shareholders, who are handsomely being rewarded for their investment in us," said William Siart, First Interstate's chief executive, who had bitterly opposed a merger with Wells Fargo and who will now lose his job.

The winners include Warren Buffett. His Berkshire Hathaway Inc. holding company is Wells Fargo's largest single shareholder, with 12.3 percent of the stock.

Wells Fargo said the merger, which is subject to shareholder and regulatory approvals, is expected to be completed this spring.

(Bloomberg, AP)

U.S. Faces Downgrade

The Associated Press

NEW YORK — Moody's Investor's Service Inc. threatened Wednesday to downgrade $387 billion of U.S. government debt because of the budget deadlock in Washington, the first time in the postwar era that a major rating agency has questioned America's creditworthiness.

Moody's said it was placing Treasury bonds with interest payments due Feb. 29 and April 6 "on review for possible downgrade."

The rating agency said it took that action because "the positions being taken in the current debate over the budget and the debt ceiling have significantly increased the risk of a default" on the bonds.

Although the agency said it was only calling into question a portion of the $2.3 trillion of Treasury obligations, the unprecedented move could have significant repercussions. The Aaa rating on U.S. Treasuries means investors consider them essentially risk-free, and the bonds are often used as collateral or as the basis for complicated financial transactions. The status of such transactions would become unclear if a default were to occur.

U.S. Broaches China Import Targets

By Paul Blustein
Washington Post Service

WASHINGTON — The United States has suggested to China that it consider negotiating detailed targets for imported goods to further open its economy, according to an American official.

The move reflects the belief among some U.S. trade specialists that China's markets may be impervious to ordinary market-opening measures and underscores Washington's concern about the soaring U.S. trade deficit with Beijing, which is expected to hit $35 billion this year.

But disclosure of the U.S. suggestion is likely to arouse concern in Asia, where critics of U.S. trade policy long have voiced fears that Washington's alleged efforts to impose "managed trade" on Japan eventually would spread to other countries in the region.

The suggestion was contained in a document submitted several weeks ago to Beijing that spelled out U.S. ideas for what China should do to obtain membership in the World Trade Organization.

The document "mentions in passing" that China might be well-advised to adopt import targets, rather than demanding that Beijing embrace the concept, the U.S. official said.

China is still far from demonstrating a clear willingness to liberalize its economy sufficiently to gain WTO membership, the official said, so it made no sense to enter into a debate about targets.

The document "simply says this is something to think about," the official said, adding that "there are very powerful arguments on both sides" about whether China's adoption of targets would spur imports or simply give Beijing a minimum goal to reach that would end up putting a ceiling on sales of foreign goods.

But no matter how carefully couched the suggestion is, its existence is sure to be cited by critics who argue that the administration — and U.S. Trade Representative Mickey Kantor in particular — are all too eager to accept government meddling in the global flow of goods.

INTERNATIONAL MANAGER

Acer's Approach: Employee Investors

By Mitchell Martin
International Herald Tribune

PARIS — Stan Shih, the chairman of Acer Inc., is a rags-to-riches capitalist success story, a multimillionaire who founded his company with $25,000 raised from family and friends and built it into a $5 billion-a-year computer business whose profit grew more than 70 percent last year.

So why is he enacting a radical plan to empower his workers by letting them own the means of production? Why does he reject American and Japanese compensation models?

The answer lies at the very heart of the way Mr. Shih has structured his business, creating a decentralized global alliance of Acer companies with an employee-equity system to support their corporate goals.

Acer, which is based in Taipei, assembles computers under its own brand, and makes many of the parts that go into them for itself and for other manufacturers. In the last three-and-a-half years, Mr. Shih has enacted what he calls a "fast-food" business model for manufacturing, inspired by the way McDonald's Corp. sources hamburgers.

For Acer, the low-tech parts of a computer — the casings, the keyboards, the disk drives — are buns and pickles, made in Taiwan and sent by ship to the company's 34 assembly plants around the world. The beef is the motherboard, the part inside the computer that holds the processors and memory chips. Motherboards, which do not account for a large portion of the computers' weight, are shipped by air from Taiwan, while the central processors and hard drives are treated like cheese and are purchased near assembly sites.

In some parts of the world, Mr. Shih said, this strategy has given Acer a commanding market share. "Through our fast-food business approach we always deliver most fresh PCs in Latin America, in Asia. That's the reason we have a 20 percent market share in many countries in Latin America; we have a 33 percent share in Mexico.

"That's the only reason, because our product is fresh," he said, adding that competing multinational companies tend to give developing markets short shrift when it comes to allocating supplies of advanced computers.

Acer is not only able to get new models to market quickly, Mr. Shih said, but it is able to halt production of outdated configurations when demand flags. This keeps inventories low and limits overhead, a key consideration for Acer, which seeks to price its computers below those of its competitors.

Yet in North America and Europe, the situation is different, Mr. Shih said, because, he believes, Taiwan does not have sufficient homegrown talent to promote its goods in these mature markets. Although Acer is the seventh-largest computer maker in the world, he said, its U.S. market share is just 3.7 percent. In Europe, where he is planning to expand in 1996, the current average is about 2 percent.

"We are using the fast-food business model to offset our disadvantage to compete with the U.S. companies in the U.S.," Mr. Shih said, adding that the Acer suffered from the same disadvantage in Europe because Acer's competitors are multinationals.

To overcome his perceived marketing disadvantage, Mr. Shih is breaking Acer into 21 separate companies and listing them on stock exchanges around the world. He plans to cede majority control of most of them, and he wants his employees to buy big stakes.

Some of the companies will be national or regional marketing-and-assembly operations, while others will specialize in making specific components.

Mr. Shih's vision is that each company will be responsive to the needs of its clients, be they computer users in France or customers for keyboards, including other manufacturers. Managers of the various companies, he said, would provide a "local touch" for the global Acer brand.

"I believe my limitations of my personal capabilities, so I decentralize, so I can ask more people to help," Mr. Shih said. "Acer has to globalize more than any other American or Japanese or European company. Why? Because the Taiwan market is so small." To tie his employees' fortunes to that of the group, Mr. Shih plans to follow the process he used with Acer Inc., one of the two

See ACER, Page 15

Bundesbank Slashes Key Money Rate

Compiled by Our Staff From Dispatches

FRANKFURT — The Bundesbank cut a key money-market rate by 0.10 percentage point Wednesday, to 3.55 percent, extending an easing of monetary policy.

The new marginal repurchase rate is the lowest in more than seven years.

The central banks of Denmark, Belgium and the Netherlands followed the German bank in cutting key rates.

The repo rate is widely watched as an indicator of monetary policy, in addition to the discount rate, now at 3 percent, and the Lombard rate, now at 5 percent. The Bundesbank uses those two rates as a floor and ceiling, respectively, for German short-term interest rates, and it guides the market between them with the repo rate.

"I hadn't expected a reduction of that magnitude," said Jörg Henzler of Industrial Bank of Japan in Frankfurt. He called it a "clear sign of the Bundesbank's desire to continue loosening its monetary policy and to maintain hopes for a reduction of the official interest rates."

Several Bundesbank members have spoken in favor of cutting the repo rate the last few days, a Commerzbank AG economist, Peter Pietsch, noted.

Other analysts said the rate cut showed the Bundesbank was not inflexible on interest rates at a time when the German economy seemed to be slowing.

A preliminary government report Tuesday showed that the economy was was expected to grow 1.5 percent in 1996, against 1.9 percent in 1995.

Last year the central bank cut rates several times in order to jump-start money-supply growth.

The Bundesbank also allocated 69.4 billion Deutsche marks ($47.11 billion) through a 14-day floating rate repurchase arrangement. The move injected a net 400 million DM into the money market, because a repo pact for 69.0 billion DM expired Wednesday.

After the Bundesbank's moves, the Danish central bank reduced its discount and deposit rates by 0.25 percentage point

See RATES, Page 12

Dutch Seek to Salvage Part of Fokker

Compiled by Our Staff From Dispatches

THE HAGUE — The Dutch government is seeking to rescue all or part of the unprofitable aircraft company Fokker NV after Daimler-Benz AG cut its financial lifeline, Economics Affairs Minister Hans Wijers said Wednesday.

Dutch trade unions threw their weight behind efforts to rescue the ailing company, appealing to the nation to give its support to the planemaker's 7,900 workers in a mass leafleting operation to households.

Fokker put three of its divisions into bankruptcy protection as a means of saving its four viable units. It won a month to find a buyer after a court responded favorably to its application for protection.

Mr. Wijers said in an open letter to Parliament that government efforts to find solutions, with or without outside assistance, aimed to offer "realistic future chances" to the company.

But the costs will be high. Fokker's debts totaled almost 3.2 billion guilders ($1.93 billion) as of Dec. 31, according to a balance sheet deposited at an Amsterdam court, officials said.

Included in the debt is 1.37 billion guilders guaranteed by Daimler-Benz Aerospace AG and 1.785 billion guilders in bonds placed with various international banks, they said.

The Netherlands owns 22 percent of Fokker Holding BV, which owns 51 percent of the planemaker. Daimler-Benz owns the rest of Fokker Holding.

Mr. Wijers said the German company was "ready to participate constructively in possible solutions as long as this did not entail new financial obligations."

But he said in a letter to Parliament that earlier attempts by the government to reach an agreement with Daimler-Benz on a rescue plan had been doomed by German cash demands.

"Daimler-Benz's chairman, Jürgen Schrempp, did come to negotiate last Friday, but informed us that 1.3 billion guilders in extra funds were the minimum amount the Dutch government had to give in order to keep Fokker in operation," he wrote.

Fokker shares dove in trading Wednesday, closing at 3.20 guilders. The stock had last traded Friday, finishing at 6.20 guilders. *(AFP, AP, AFX)*

CURRENCY & INTEREST RATES

Cross Rates Jan. 24

	$	£	D.M.	F.F.	Lira	D.fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.658	2.507	1.1199	0.3268	0.1042*	—	5.4447*	1.3936	1.5528*	1.211	1.3295*
Brussels	30.59	46.105	20.56	6.0115	1.9179*	18.36	—	25.58	0.2862	22.29	24.405*
Frankfurt	1.485	2.243	—	0.2927	0.0932*	0.893	4.8643*	1.2442	1.3915*	1.0854	1.1875*
London(a)	1.509	—	2.2397	7.4676	2,400.47	2.5084	46.0455	1.7996	161.34	2.0651	188.645
Madrid	125.209	188.753	84.214	24.594	7.823*	75.201	4.0965	104.76	117.225*	91.527	—
Milan	1,593.40	2,409.60	1,073.25	313.12	—	957.80	52.28	1,334.80	14.906	1,164.07	12.76
New York (b)	—	1.511a	1.485	5.0865	1,589.80	1.6629	30.92	1.1925	107.15	1.3712	124.54
Paris	5.091	7.6745	3.4242	—	0.32*	3.0577	0.1666	4.2586	4.766*	3.7215	4.0665*
Tokyo	105.25	160.87	71.76	21.03	0.667	64.09	3.4938	89.31	—	77.22	0.853
Toronto	1.3703	2.0707	0.9227	0.2694	0.086*	0.8238	0.4486*	1.1491	1.28*	—	1.096*
Zurich	1.1914	1.7996	0.8039	0.2347	0.0748*	0.7161	3.91*	—	1.1161*	0.8712	0.9548*
1 ECU	1.2712	0.8432	1.89	6.4716	2,002.82	2.1165	38.8537	1.5103	135.788	1.739	159.152
1 SDR	1.4557	0.9637	2.1617	N.Q.	2,316.44	2.4237	44.4207	1.7371	154.469	2.0051	182.954

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers; Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	244.83	Mex. peso	7.41	S. Afr. rand	3.6505
Australian $	1.3587	Hong Kong $	7.7325	N. Zealand $	1.5067	S. Kor. won	787.10
Austrian sch.	10.43	Hung. forint	143.39	Norw. krone	6.4925	Swed. krona	6.861
Brazil real	0.972	Indian rupee	35.83	Phil. peso	26.18	Taiwan $	27.45
Chinese yuan	8.2928	Indo. rupiah	2294.	Polish zloty	2.53	Thai baht	25.26
Czech koruna	27.15	Irish £	0.6389	Port. escudo	153.57	Turkish lira	61279.5
Danish krone	5.7325	Israeli shek.	3.126	Russ ruble	4716.	UAE dirham	3.671
Egypt. pound	3.3935	Kuw dinar	0.2998	Saudi riyal	3.7503	Venez. boliv.	362.00
Fin. markka	4.5459	Malay. ring.	2.561	Sing. $	1.4203		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5087	1.5078	1.5070	Japanese yen	106.26	105.83	105.39
Canadian dollar	1.3686	1.3687	1.3688	Swiss franc	1.1885	1.1850	1.1813
Deutsche mark	1.4802	1.4778	1.4752				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Eurocurrency Deposits Jan. 24

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 mo.	5 3/8 - 5 1/2	3 1/2 - 3 5/8	1 1/8 - 1 1/4	6 5/16 - 6 3/8	4 1/2 - 4 5/8	3/8 - 1/2	4 5/8 - 4 3/4
3 mo.	5 5/16 - 5 7/16	3 7/16 - 3 9/16	1 1/8 - 1 1/4	6 1/4 - 6 5/16	4 1/2 - 4 5/8	7/16 - 9/16	4 9/16 - 4 11/16
6 mo.	5 3/16 - 5 5/16	3 1/4 - 3 3/8	1 1/8 - 1 1/4	6 - 6 1/16	4 3/8 - 4 1/2	1/2 - 5/8	4 1/2 - 4 5/8
1 yr	5 - 5 1/8	3 1/4 - 3 3/8	1 1/8 - 1 1/4	6 - 6 1/8	4 3/8 - 4 1/2	1/2 - 3/4	4 1/2 - 4 5/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5 1/4	5 1/4
Prime rate	8 1/2	8 1/2
Federal funds	5 7/16	5 7/16
3-month CDs	4.99	4.99
Comm. paper 180 days	6.11	6.11
3 month Treasury bill	4.97	4.97
1-year Treasury bill	4.76	4.80
2-year Treasury note	5.05	5.09
5-year Treasury note	5.32	5.37
7-year Treasury note	5.45	5.49
10-year Treasury note	5.61	5.65
30-year Treasury bond	6.03	6.08
Merrill Lynch 30-day RA	5.15	5.15
Japan		
Discount rate	0.50	0.50
Call money	0.41	0.41
1-month interbank	0.44	0.43
3-month interbank	0.53	0.53
6-month interbank	0.53	0.53
10-year Gov't bond	2.88	2.86
Germany		
Lombard rate	5.00	5.00
Call money	3.50	3.60
1-month interbank	3.60	3.60
3-month interbank	3.50	3.50
6-month interbank	3.40	3.42
10-year Bund	5.79	5.81

Britain		
Bank base rate	6 1/4	6 1/4
Call money	6 3/8	6 7/16
1-month interbank	6 5/16	6 5/16
3-month interbank	6 1/4	6 1/4
6-month interbank	6 1/8	6 1/8
10-year Gilt	7.30	7.35
France		
Intervention rate	4.20	4.20
Call money	4 5/16	4 7/16
1-month interbank	4 3/4	4 7/16
3-month interbank	4 7/16	4 7/16
6-month interbank	4 7/16	4 1/2
10-year OAT	6.29	6.34

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	402.25	403.25	+0.10
London	403.00	402.50	−1.15
New York	403.80	403.50	−0.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

Olivetti Shares Plunge After Report of Losses

Bloomberg Business News

IVREA, Italy — Shares in Olivetti SpA plunged almost 10 percent after the Italian computer-and-office products company issued preliminary results that included a wider-than-expected 1995 loss.

"They are in a crisis of credibility," said Alberto Rollo, an equity analyst at Caboto Sim in Milan. "Last week they issued a profit warning to selected analysts, and now in effect they have issued a profit warning on profit warning."

The company reported Tuesday night a loss of 1.55 trillion lire ($972.1 million) in 1995, as costs to restructure its computer group and dismiss workers surpassed expectations. The company reported a pretax loss from operations of 500 billion lire and one-time charges of 1.05 trillion.

Italian companies usually report full-year results later in the new year, but Olivetti issued the provisional results after word of its losses trickled into the market last week.

An investor visiting the company's headquarters said he had been told to expect a wider loss than anticipated.

Olivetti shares closed down 66 lire, at 992. The price fell below 1,000 lire for the first time since the company collected 2.26 trillion lire from investors in a capital increase last month.

"It is not the first time they have raised money and then downgraded expectations," said Richard Lewis of World-Invest Ltd. in London.

Pan Am Revving Up To Take Off Again?

Bloomberg Business News

MIAMI — Martin Shugrue, the former chief operating officer of Pan American World Airways Inc., and Chuck Cobb, a former U.S. undersecretary of commerce, are negotiating with banks and investment groups for $30 million to $40 million in financing to revive the airline, consultants close to the negotiations said on Wednesday.

A new Pan Am, which is likely to be based in Miami, would fly from New York to San Francisco, Los Angeles, Chicago and Miami.

Mr. Shugrue and Mr. Cobb have also signed agreements in principle to supply connecting flights to several overseas airlines, said Bob Booth, president of Aviation Management Services in Miami.

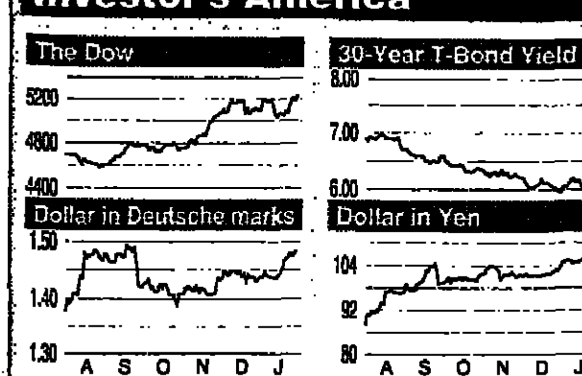
High costs, tough competition and a huge debt load were blamed for the demise of the original Pan Am, which filed for bankruptcy in 1991.

Mr. Cobb, a Florida real estate developer and a former U.S. ambassador to Iceland, bought the Pan Am logo in U.S. Bankruptcy Court in 1993 for $1.3 million.

He has talked of starting up a new airline ever since.

THE AMERICAS

Investor's America



Exchange	Index	Wednesday Close	Prev. Close	% Change
NYSE	The Dow	5242.84	5192.27	+0.97
NYSE	S&P 500	619.96	612.79	+1.17
NYSE	S&P 100	593.28	585.68	+1.30
NYSE	Composite	331.72	328.53	+0.97
U.S.	Nasdaq Composite	1042.66	1028.03	+1.42
AMEX	Market Value	537.51	533.56	+0.74
Toronto	TSE Index	4864.14	4847.60	+0.34
São Paulo	Bovespa	49452.45	49852.02	-0.80
Mexico City	Bolsa	3054.63	3073.97	-0.63
Buenos Aires	Merval	551.76	557.10	-0.97
Santiago	IPSA General	5726.21	5737.13	-0.19
Caracas	Capital General	2029.43	2058.89	-1.43

Source: Bloomberg, Reuters — International Herald Tribune

Apple Managers Under Attack

By Lawrence Malkin
International Herald Tribune

NEW YORK — Persistent reports that Sun Microsystems Inc. is bidding for Apple Computer Inc. sent both companies' stocks seesawing Wednesday as stockholders of the company that pioneered personal computers demanded that its management resign.

With the eclipse of Apple's operating system by the far more widely used system produced by Microsoft Corp., the fortunes of the company founded in a garage a generation ago have foundered despite two successive platoons of professional managers.

At the company's annual meeting in Cupertino, California, on Tuesday, stockholders attacked Michael H. Spindler, the German-born chief executive who had built up Apple's European market, as incompetent for setting sales targets he could not meet and incurring huge losses.

Mr. Spindler is the second manager to try reviving Apple's fortunes after the departure of Steven Jobs, the man who co-founded Apple, and thus the personal computer industry, with Stephen Wozniak in 1976.

The first professional manager was John Sculley, who came to the company from Pepsico Inc., and took over from Mr. Jobs in 1985 after a tumultuous power struggle.

The heated exchange between shareholders and management arose as The Wall Street Journal appeared with a story that a deal for Sun to buy Apple was imminent, pushing up the price of Apple shares by more than 10 percent and knocking Sun shares down by about the same percentage. Apple stock closed up 62.5 cents Wednesday, at $32.25, while Sun shares fell 62.5 cents to $43.50.

Apple has insisted it is not for sale, but Wall Street traders gave that claim little credit. They have already heard of interest in Apple from other companies, including Motorola Inc., Oracle Corp. and Phillips Electronics NV of the Netherlands.

Neither those companies nor Sun would comment on the rumors and report, and no other news source has been able to confirm the Sun offer.

Sun makes high-powered computers known as servers that are the network nodes for information moving between computers in a company and on the Internet.

Apple's client base among designers and Internet users would help expand Sun's niche, because Sun's new network language, known as Java, can run on either the Apple or Microsoft operating systems.

Apple's share of the personal computer market declined to 8.6 percent in the quarter ended Sept. 30 from the 9.4 percent it held when Mr. Spindler took over in 1993.

The chief executive has warned of operating losses this quarter in addition to $125 million in restructuring costs as the declining company cuts its work force.

■ Write-Offs at Compaq

Compaq Computer Corp. reported sharply lower profit for the fourth quarter, as write-offs related to its purchase of two companies wiped out a strong profit from operations, Bloomberg Business News reported from Houston.

The maker of personal computers reported profit from operations of $323 million for the quarter. But after a nontax-deductible charge of $241 million stemming from the purchase of NetWorth Inc. and Thomas-Conrad Corp., net income came to $82 million, or 30 cents a share.

In the like quarter of 1994, the company had a net income of $243 million, or 90 cents.

Compaq was expected to earn $1.18 a share, based on the average estimate of 26 analysts surveyed by IBES International Inc.

Compaq stock closed down $2 at $47.625.

• **Xerox Corp.** reported a loss of $1.1 billion in the fourth quarter and $472 million for 1995 after writing off the costs of selling its remaining insurance businesses, Reuters reported from Stamford, Connecticut.

The office document company also announced a 3-for-1 stock split and a 16 percent increase in its quarterly dividend.

Dow Hits Record On Rising Profits

Compiled by Our Staff From Dispatches

NEW YORK — Stocks ended at a new record high late Wednesday, supported by unexpectedly strong earnings at blue-chip companies and by declining bond yields.

Stocks also got a lift from expectations Federal Reserve Board policymakers would lower interest rates at a meeting next week.

"The market is anticipating lower rates on the one hand, and on the other is pleasantly surprised by some of these earnings being better than expected," said Thom Brown, money manager at Rutherford, Brown & Catherwood Inc.

The Dow Jones industrial average gained 50.57 points, to 5,242.84. Advancing issues outpaced decliners by a 7-to-4 ratio on the New York Stock Exchange.

Meanwhile, the benchmark 30-year Treasury bond jumped 26/32 point, to 111 18/32, for a yield of 6.03 percent, down from 6.07 percent on Tuesday.

Bond prices rose after slack economic reports on housing and industrial production gave traders new hope of an easing of U.S. interest rates by the Fed.

Stock gains also came amid conciliatory notes sounded by President Bill Clinton in the State of the Union address on Tuesday and by House Republican leaders, who on Wednesday proposed a "down payment" on a balanced budget that would keep the government running until major disagreements are resolved.

"The State of the Union address and the apparent thaw in that freeze is seized on as an excuse for stocks to move a little higher," said A.C. Moore, investment strategist at Dunvegan Associates Inc.

United Technologies stock surged 3⅛, to 97⅜, after the maker of Pratt & Whitney jet engines and Otis elevators said it earned $1.42 a share in the fourth quarter, up from $1.26 a year earlier and surpassing estimates.

Du Pont climbed 2⅛, to 74⅛, after the chemical company posted stronger-than-expected profit.

"Earnings show us there are still values around," said Peter Coolidge, a trader at Brean Murray Foster Securities.

TRW soared 2½, to 82⅜, after its fourth-quarter earnings rose 15 percent, driven by strong sales in space-and-defense and automotive units.

CompUSA gained ¼, to 32¼, after the computer retailer said financial second-quarter earnings climbed to 80 cents a share from 51 cents last year, beating estimates of only 64 cents.

Those gains spilled over to other computer-related stocks, said William Mattison, president of Gerard Klauer Mattison.

U.S. STOCKS

Micron Technology, the leading NYSE issue, put on 5⅛, to 37⅞, and Intel rose 2 1/16, to 54¼.

"The other factor in the market right now is that technology stock got way oversold, and with IBM blazing the trail, these stocks are really coming back," an analyst said. IBM rallied 4¼, 107¼, since it posted better-than-expected earnings on Thursday.

Shares of BMC Software jumped 8½, to 51¾, after several analysts raised their recommendations on the software company's stock.

But Xerox plunged 15, to 126⅝, after the photocopier maker's earnings came in lower than expected.

PhyMatrix closed at 19¼ after the Florida company, which invests in doctor groups and helps them manage their practices, held its initial public stock sale starting at $15 a share.

Helene Curtis Industries gained 12¾, to 65¾, after the Chicago-based maker of consumer and household products said it was in talks on a "possible business combination." *(Bloomberg, AP)*

■ Bankers Trust Ends Dispute

Bankers Trust Co. has agreed to pay $67 million to settle a dispute with Air Products & Chemicals Inc. over money-losing derivatives contracts, the companies said Wednesday. The Associated Press reported.

The settlement is the largest by Bankers Trust over the exotic securities, which have produced huge losses at several large U.S. companies.

Air Products, a maker of industrial products based in Allentown, Pennsylvania, has said it lost more than $107 million in contracts with Bankers Trust involving risky interest-rate derivatives.

RATES: *Bundesbank Surprises Market With Rate Cut*

Continued from Page 11

each, to 4.0 percent.

Two-week repurchase and certificate of deposit rates were cut by 0.15 percentage point each, to 4.35 percent.

The Belgian central bank cut its key central rate by 0.10 percentage point to 3.55 percent. It also cut its overnight rate for loans inside banks' normal credit ceiling by 0.10 percentage point, to 4.80 percent.

The Dutch central bank said it was cutting its special advance rate, by 0.10 percentage point to 3.20 percent, for a new five-day allocation to banks.

(AFP, Reuters, AFX)

■ Dollar Surges on Trade Data

The dollar rose sharply Wednesday, basking in confirmation of a declining U.S. trade deficit with Japan, news agencies reported from New York.

The dollar hit a 23-month high against the yen, bolstered by the first drop in Japan's annual trade surplus in five years and concern about political tension between China and Taiwan. The dollar finished at 107.15 yen, up from 105.93 yen Tuesday.

"What really pushed the dollar up against the yen was that the Japanese merchandise trade surplus has declined," said John Trammell of A. Gary Shilling & Co.

The yen also suffered after The New York Times reported Beijing had completed plans for a possible attack on Taiwan after its March presidential elections. Japan's proximity to China spurred investors to sell yen.

"It was enough to trigger a round of yen sales," said an analyst with MMS International.

Dealers said the dollar also gained on comments by congressional Republicans on the budget impasse. The speaker of the House, Newt Gingrich, said there are many areas of agreement with the White House, and that an agreement on the debt ceiling could be reached by March 1.

The dollar rose against European currencies after a round of interest-rate reductions.

The dollar finished at 1.4850 DM, up from 1.4790 DM on Tuesday; at 1.925 Swiss francs, up from 1.1879 francs, and at 5.0865 French francs, up from 5.0630 francs.

The pound fell to $1.5110 from $1.5143. *(Bloomberg, AFX)*

Very briefly:

SEC Settles With Orange County

WASHINGTON (AP) — The Securities and Exchange Commission said Wednesday it was seeking no financial penalties against Orange County and two former officials in a civil case stemming from the country's largest municipal bankruptcy.

Orange County lost $1.64 billion as a result of the investment strategy of its former treasurer, Robert Citron, and his assistant, Matthew R. Raabe. The county was forced to seek bankruptcy protection in December 1994.

• **MCI Communications Corp.** led the bidding in the fifth round of the Federal Communications Commission's auction of a direct broadcast satellite license with an offer of $270 million to develop a service with News Corp.

• **General Dynamics Corp.**'s fourth-quarter net earnings rose 52 percent, to $88 million, on a 23 percent sales increase to $893 million.

• **ITT Corp.** said that its fourth-quarter profit more than doubled, to $68 million., on increased income from its hotels and casinos.

Names, names, names . . .

• **Duane Ackerman** will succeed John Clendenin as chief executive and president of BellSouth Corp.

• **Mark Harrington**, a longtime CBS executive, has been named vice president and general manager of NBC's new all-news cable network. *(Bloomberg, AP)*

WORLD STOCK MARKETS

Wednesday, Jan. 24
Prices in local currencies.
Telekurs

Amsterdam

	High	Low	Close	Prev.
ABN-AMRO	75.90	75.20	75.70	75.40
Aegon	73.70	72.70	73.30	73.60
Ahold	68.30	67.20	68.10	67.60
Akzo Nobel	180.20	177.80	180.20	177.90
Bols Wess cva	36.30	35.50	35.50	35.70
CSM cva	74.80	73.10	74.90	74.80
Dordtsche Pet	240.50	238	240	237.30
DSM	136	134	136	133.90
Elsevier	22.70	22.30	22.40	22.50
Fortis Amev	112.10	110	111	111.50
G-Broc cva	52.80	52.10	52.50	52.60
Hagemeyer	90	88.90	89.20	89.50
Heineken	309	304.40	309	306.50
Hoogovens	59.20	58.30	58.60	58.20
Hunt Douglas	82	80.50	81	81
ING cva	111.90	110.80	111.80	111.20
KLM	56.70	55.10	55.50	56.40
KNP BT	44.40	43.50	44	43.50
KPN	63.90	63.20	63.60	62.50
Nedlloyd Gp	32.20	31.40	31.40	31.70
Nutricia	147.40	146.50	146.60	146
Oce Grinten	113.40	112.50	113.40	112.40
Pakhoed	42.70	41.80	42	42.70
Philips Elec	66.20	64.50	65.70	63.90
Polygram	92.70	90.60	91.50	90.20
Randstad Hdg	75.30	73.50	75	75
Robeco	118.70	118.30	118.70	118.10
Rodamco	48	47.50	48	47.80
Rolinco	125.80	125.60	125.60	125.20
Rorento	97	96.90	97	96.80
Royal Dutch	225.70	223	225.60	222
Stork	42.90	42.20	42.60	42.50
Unilever cva	241.50	238.10	241.50	238.70
VNU	245	240.30	245	240
Wolters Kl cva	158	156.10	157.20	156.10

EOE index: 508.69
Previous: 504.80

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	496	484	496	500
Bangkok Bk F	334	326	332	338
Krung Thai Bk	120	118	119	120
PTT Explor	290	286	286	294
Siam Cement F	1384	1372	1384	1390
Telecomasia	79.50	78	78.50	79.50
Thai Airways	49.50	45.50	46	49.50
Thai Farm Bk F	272	266	268	278
Thai Teleph	139	137	139	140
Utd Comm	346	338	344	336

SET index: 1378.30
Previous: 1388.87

Bombay

Tuesday, Jan. 23

	High	Low	Close	Prev.
Assoc Cement	2810	2720	2725	2780
Grasim Ind	518	502	510	495
Hindalco Ind	906	900	904	900
Indust Lever	636	632	636	634
Indian Hotels	612	600	606	608
ITC	215	202	203	212
Larsen Toubro	255.50	249.50	250	252.50
Reliance Ind	175	166	167	173
Tata Eng Loco	381	370	371	380
Tata Iron St	169	163	163.50	167.50

Sensitive index: 2896.70
Previous: 2926.78

Brussels

	High	Low	Close	Prev.
Arbed	3600	3575	3580	3570
Barco Ind	3845	3785	3830	3785
BBL	5800	5720	5720	5730
Bekaert	26500	26225	26500	26150
CBR	12025	11950	12025	11925
CMB	2370	2350	2370	2355
Cockerill	178	176	177	177
Colruyt	8900	8770	8850	8660
Delhaize Lion	1280	1274	1276	1272
Electrabel	7430	7390	7410	7370
Electrafina	3115	3085	3100	3085
Fortis AG	3745	3725	3740	3725
GIB	1370	1354	1360	1364
GBL	4220	4175	4200	4160
Gen Banque	11175	11050	11100	11100
Glaverbel	3280	3200	3260	3180
Kredietbank	8610	8520	8550	8560
Mosane	1980	1980	1980	1980
Petrofina	9120	9050	9070	9100
Powerfin	4390	4310	4350	4370
Recticel	346	332	346	335
Royale Belge	6370	6300	6330	6330
Soc Gen Belg	2560	2530	2560	2510
Solvay	16950	16775	16950	16750
Tessenderlo	11700	11575	11700	11550
Tractebel	13300	13025	13300	13075
UCB	42950	41600	42925	41550
Union Miniere	2310	2270	2300	2250

Stock Exchange index: 8888.58
Previous: 8888.65

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	321	317	320	320
Danisco	292	287	289	288
Den Danske Bk	399	394	398	393
D/S Svendborg A	174000	173565	174000	168500
D/S 1912 A	122000	118000	122000	119000
East Asiatic Co	125	122	124	123.50
FLS Ind B	485	475	485	480
ISS Intl Svc B	147	143	145	144
Nvo Nordisk B	790	784	786	785
Radiometer B	417	412	416	417
Sophus Ber B	651	646	650	647
Tele Danmk B	313.31	309	312	308
Unidanmark A	294	289	292	289

Stock Market index: 387.27
Previous: 385.10

Frankfurt

	High	Low	Close	Prev.
AMB	937	920	920	927
AEG	160	158	160.20	154.20
Allianz Hdg	2894	2883	2890	2860
Altana	876	870	876	864
Aska Deutsche	810	800	810	790
Bodenwerk	487	487	485	489
BASF	354.90	353	354.40	347.70
Bayer Hypo Bk	36.42	36.11	36.17	36.12
Bay.Vereinsbank	43.40	43.22	43.22	42.65
Bayer	429	427	429	421
Berliner Kraft	428	426.50	428	427.50
BHF Bank	41.75	41.40	41.60	41.25
BMW	829	824	827.50	805
CKAG Colonia	1195	1185	1192	1180
Commerzbank	347.80	346.30	347	343.40
Daimler Benz	799.50	788	799	766
Degussa	535.50	526	528.70	523.50
Deutsche Bank	68.49	68.22	68.27	67.68
Dresdner Bank	37.90	37.70	37.7	37.40
Heidelbg Zmt	929.50	929.50	929.50	926
Henkel	582	568	571	569
Hochtief	650	645	647	639
Hoechst	440	436.80	438.80	430.80
Holzmann Ph.	553	550	553	546
Karstadt	599	594	595	586.50
Kaufhof Hdg	471	466	467.50	464
Linde	894	885	886.50	881
Lufthansa ord	218.70	218	218	213.50
MAN	434	429	430.50	426.50
Mannesmann	517	510	516.50	502.80
Muench Rueck	3200	3190	3195	3196
Preussag	437	434	437	429.50
PWA	217.50	217	217.50	215
RWE	578.80	575	577	569.70
SAP pfd	232	229	230	228.50
Schering	105.10	103.50	103.80	103.35
Schmalb Lub	234	233	233.70	231
Siemens	834.80	829	834.80	820
Suedzucker	770	770	770	757
Thyssen	285.50	284.60	284.60	281.70
Veba	65.70	65.35	65.50	64.80
VEW	525	522	525	525
Viag	637.50	635.50	637.30	627.50
Volkswagen	544.25	539	543.50	538.50
Wella	789.50	785	788.50	780

DAX index: 2423.07
Previous: 2384.47

Helsinki

	High	Low	Close	Prev.
Cultor I	193	191	193	190
Enso-Gutzeit R	27.50	27.20	27.40	27
Huhtamaki IF	122	118	120	118
Kesko	56.50	56	56.20	56.30
Kone BF	355	352	355	355
Kymmene F	110	108.10	110	109
Merita A	12	11.50	11.80	11.60
Metra BF	172	171	172	173
Metsa-Serla B	124.50	123	124.10	123.50
Nokia Prf F	170.20	167.50	170.10	170
Outokumpu A	68.30	68	68.20	69.40
Rautaruukki	27	26.10	26.70	26.50
Repola	78.50	78	78	78
Stockmann A	240	240	240	240
Valmet A	114	112	114	111.50

HEX General index: 1713.48
Previous: 1712.27

Hong Kong

	High	Low	Close	Prev.
Amoy Props	9	8.80	8.85	8.95
Bk East Asia	31	30.20	30.70	30.40
Cathay Pacific	12.85	12.45	12.80	12.45
Cheung Kong	55.25	53.75	54.75	54.50
China Light	38.50	37.30	37.60	38.30
Chin Estates	6.95	6.70	6.80	6.85
Citic Pacific	29.50	29.20	29.25	29.60
Cons Elec Pwr	14.90	14.70	14.75	14.65
Dao Heng Bk	32.10	31.70	31.80	31.90
First Pacific	9.95	9.65	9.90	9.75
Great Eagle	22.60	22.30	22.30	22.50
Guangdong Inv	5.75	5.55	5.55	5.55
Guoco Group	42.30	41.50	41.60	41.80
Hang Lung	14.95	14.70	14.70	15
Hang Seng Bk	73.50	73	73.50	73.50
Henderson Inv	7.45	7.15	7.20	7.45
Henderson Ld	54.75	53.50	54.75	54.25
HKR Intl	8.55	8.35	8.40	8.70
HK Aircraft	24.20	23.80	23.90	24.15
HK China Gas	13.80	13.45	13.45	13.75
HK Electric	25.95	25.60	25.70	26
HK Shang Htls	12.70	12.05	12.05	12.70
HK Telecomm	14.60	14.40	14.50	14.65
Hopewell Hdgs	5.30	5.15	5.25	5.20
HSBC Hdgs	124	123	124	124.50
Hutchison Wh	51	49.70	50.25	50
Hysan Dev	23.15	22.70	23.15	22.90
Johnson El 500	15.45	15.10	15.45	15.20
Miramar Hotel	16.80	16.60	16.80	16.50
Natl Mutual	7	6.95	7	7
New World	36.30	34.70	36	35
Oriental Press	3.25	3.15	3.20	3.15
Orient Telecom	2.60	2.55	2.58	2.58
Shangri-La	11	10.70	10.70	10.90
SHK Props	66.25	65	66	65.50
Shun Tak Hdgs	6.25	6.05	6.05	6.10
Sino Land Co.	8.50	8.05	8.25	8.50
Sth China Post	5.20	5.10	5.10	5.25
Swire Pac A	66.50	64.25	66.25	64.25
Tsim Sha Tsui	8.45	8.25	8.40	8.45
TV Broadcasts	31.30	30.90	31.30	31.10
Wharf Hdgs	30	29.30	29.60	29.60
Wheelock	16.10	15.65	15.90	16.15

Hang Seng index: 10960.20
Previous: 10957.20

Jakarta

	High	Low	Close	Prev.
Astra Intl	3500	3475	3500	3500
Bank Pacific	2050	1900	1900	1975
Gudang Garm	28600	27900	27900	28000
Indah Kiat	1900	1725	1750	1825
Indocement	8950	8950	8950	8950
Indofood	12450	12050	12050	12500
Indorayon	2350	2175	2175	2250
Indosat	9250	9100	9200	9250
Kalbe Farma	8600	8500	8600	8600
Sampoerna	29700	28500	28500	29300

Composite index: 569.96
Previous: 574.30

Johannesburg

	High	Low	Close	Prev.
AngloAm-Corp	271	269	271	269
AngloAm Gold	377	375	376	374.50
AngloAm Ind	197	197	197	197
Barlow	59	59	59	59
C.G. Smith	29.75	29.50	29.75	29.75
De Beers	124	122.25	123.50	122.50
Driefontein	51.50	50.75	50.75	52
Freegold	37.25	36	36.75	37.25
Fst Natl Bk	36.25	36.25	36.25	36
Gencor	15	15	15	15
GFSA	124	123	123	124
Iscor	3.56	3.46	3.46	3.56
Johnnies Ind	58	58	58	58
Kloof Gold	43	42.25	42.25	43.50
Liberty Life	127	127	127	132
Nedcor	67	67	67	65.75
Rembrandt Gp	40.25	40.25	40.25	40
Richemont	60.50	60.25	60.50	60.25
Rust Platinum	74.50	73	74.50	74
SA Breweries	143.50	143.25	143.50	144
Sappi	53.50	51	51.75	54.50
Sasol	33.50	33.50	33.50	33.75
SBIC	177	177	177	177
Tiger Oats	70	70	70	69.75

All Market index: 6931.07
Previous: 6935.24

Kuala Lumpur

	High	Low	Close	Prev.
Mal Banking	22.60	22.40	22.60	22.50
Mal Intl Ship F	7.65	7.65	7.65	7.70
Public Bank F	6.05	5.90	5.90	6.05
Resorts World	14.90	14.70	14.80	14.90
Sime Darby	7	6.65	6.65	6.95
Telekom Mal	21.10	20.80	20.90	21
Tenaga	10.10	9.80	9.80	10.10
Utd Engineers	17.30	17	17.30	17.10

Composite index: 1060.50
Previous: 1071.48

London

	High	Low	Close	Prev.
Abbey Nat'l	6.57	6.48	6.52	6.54
Allied Domecq	5.37	5.22	5.23	5.37
Anglian Water	5.79	5.70	5.73	5.74
Argyll Group	3.47	3.42	3.44	3.45
Arjo Wiggins	1.87	1.83	1.84	1.85
Asda Group	1.09	1.06	1.08	1.07
Assoc Br Foods	3.80	3.78	3.78	3.80
BAA	5.22	4.93	4.97	4.98
Barclays	7.87	7.73	7.85	7.79
Bass	7.40	7.30	7.36	7.32
BAT Ind	5.82	5.75	5.80	5.77
Bank Scotland	3.08	2.96	3.08	3.01
BICC	2.97	2.85	2.90	2.88
Blue Circle	3.54	3.45	3.47	3.50
BOC Group	9.15	9.03	9.09	9.10
Boots	6.05	5.93	5.97	6.01
Bowater	3.89	3.76	3.77	3.82
BPB Ind	2.98	2.95	2.97	2.97
Brit Aerosp	8.72	8.65	8.68	8.73
Brit Airways	5.24	5.13	5.22	5.18
Brit Gas	2.51	2.48	2.49	2.49
Brit Petm	5.20	5.13	5.19	5.15
Brit Steel	1.67	1.64	1.65	1.64
Brit Telecom	3.76	3.68	3.70	3.75
BTR	3.37	3.32	3.34	3.33
Burmah Cast	9.85	9.83	9.82	9.84
Cable Wireless	4.56	4.38	4.42	4.53
Cadbury Schw	5.43	5.25	5.41	5.37
Caradon	2.13	2.09	2.13	2.11
Carlton Comm	10.50	10.30	10.45	10.35
Coats Viyella	1.99	1.92	1.95	1.97
Comml Union	6.37	6.20	6.29	6.20
Courtaulds	4.48	4.38	4.46	4.40
De La Rue	7.20	6.99	7.10	6.99
Eng China Cl	3.30	3.19	3.19	3.26
Enterprise Oil	3.79	3.72	3.79	3.73
Fam Colonial	1.64	1.62	1.64	1.64
Forte	4	3.81	3.96	3.85
Genl Accident	6.69	6.55	6.69	6.55
GEC	3.60	3.52	3.59	3.58
GKN	8.07	8	8.05	8.06
Glaxo	9.12	8.95	9.11	9
Granada Gp	7.09	6.76	7	6.80
Grand Met	4.71	4.52	4.59	4.55
GRE	2.77	2.69	2.74	2.71
Guinness	4.87	4.78	4.82	4.84
GUS	6.87	6.80	6.81	6.85
Hanson	2.07	2.04	2.06	2.06
Hillsdown Hdg	1.81	1.75	1.79	1.79
HSBC Hldgs	10.77	10.53	10.77	10.56
ICI	8.27	8.18	8.26	8.21
Inchcape	2.75	2.65	2.65	2.70
Kingfisher	5.35	5.29	5.30	5.34
Ladbroke	1.74	1.63	1.69	1.66
Land Sec	6.47	6.39	6.45	6.37
Laporte	6.69	6.53	6.69	6.52
Lasmo	1.72	1.66	1.70	1.66
Legal Genl Grp	7.06	6.90	7.03	6.93
Lloyds Abbey	4.80	4.75	4.77	4.76
Lloyds TSB Gp	3.49	3.40	3.43	3.43
London Elec	7.25	7.07	7.15	7.11
Lucas Ind	2.04	1.95	2.02	1.96
Marks Spencer	4.40	4.30	4.39	4.35
MEPC	4.10	4.03	4.08	4.05
Mercury Asset	8.72	8.64	8.67	8.69
Midlands Elec	3.78	3.63	3.69	3.65
Natl Power	4.42	4.29	4.32	4.34
NatWest	6.75	6.67	6.73	6.69
News Intl	3.07	3.07	3.07	3.14
NthWst Water	5.97	5.84	5.94	5.88
Nthern Foods	1.92	1.87	1.90	1.91
P&O	5.18	5.02	5.16	5.03
Pearson	6.47	6.38	6.44	6.46
Pilkington	1.88	1.80	1.87	1.85
Powergreen	5.23	5.12	5.12	5.17
Prudential	4.28	4.23	4.26	4.25
Rank Org	4.55	4.41	4.51	4.43
Reckitt Colm	7.05	6.97	6.97	7.04
Redland	3.80	3.60	3.79	3.63
Reed Intl	10.15	10.03	10.05	10.09
Rentokil	3.47	3.44	3.46	3.44
Reuters Hdgs	6.29	6.15	6.26	6.17
RMC Group	9.69	9.54	9.69	9.53
Rolls Royce	2	1.94	2	1.94
Royal Bk Scot	5.88	5.78	5.86	5.81
RTZ reg	8.99	8.78	8.97	8.82
Royal Insur	4.01	3.93	3.97	3.96
Sainsbury	4.34	4.07	4.16	4.09
Schroders	13.40	13.05	13.10	13.35
Scot Newcastle	6.15	6.10	6.14	6.11
Scot Power	3.88	3.58	3.88	3.84
Sears	0.99	0.97	0.97	0.98
Severn Trent	6.30	5.98	6.30	6.28
Shell Trsp reg	8.43	8.32	8.41	8.32
Siebe	7.80	7.72	7.76	7.76
Smith Nephew	1.86	1.83	1.83	1.85
Smith (WH)	4.09	3.95	4.05	4.07
SmithKline dA	7.23	7.03	7.23	7.09
Smiths Ind	6.71	6.58	6.71	6.62
Sthern Elec	7.98	7.19	7.75	9.25
Stand Charter	6.65	6.19	6.28	6.20
Sun Alliance	3.92	3.83	3.89	3.83
Tate & Lyle	4.75	4.67	4.72	4.65
Tesco	3.06	2.99	3.04	3.01
Thames Water	5.45	5.37	5.37	5.39
Thorn EMI	16.54	16.22	16.43	16.27
3I Group	4.17	4.13	4.17	4.13
TI Group	4.89	4.75	4.82	4.76
Tomkins	2.75	2.71	2.74	2.76
Unilever	13.78	13.55	13.76	13.63
Utd Biscuits	2.55	2.52	2.52	2.54
Utd News	5.91	5.86	5.87	5.89
Vendome uts	5.58	5.52	5.53	5.55
Vodafone	2.33	2.27	2.30	2.30
Whitbread	6.94	6.81	6.92	6.84
Williams Hdgs	3.42	3.34	3.40	3.37
Wolseley	4.67	4.54	4.66	4.61
Yorkshire Elec	N.T.	N.T.	N.T.	6.86
Zeneca	12.88	12.65	12.73	12.85

FT-SE 100 index: 3758.20
Previous: 3735.80

Madrid

	High	Low	Close	Prev.
Acerinox	12780	12630	12780	12570
ACESA	1320	1300	1320	1310
Argentaria	5120	5090	5110	5090
BBV	4610	4510	4610	4510
Banesto	875	858	864	871
Bankinter	12690	12400	12690	12470
Bco Centro Hisp	2480	2445	2480	2450
Bco Exterior	3260	3250	3260	3260
Bco Popular	22720	22610	22680	22570
Bco Santander	6090	6060	6080	6040
CEPSA	3220	3190	3220	3190
Corp Mapfre	6670	6560	6610	6600
Dragados	1705	1675	1705	1675
Endesa	7110	7000	7090	7070
FECSA	863	850	863	850
Fomento Const	9930	9810	9860	9740
Gas Natural	18460	18310	18380	18400
Hidroel Cantab	4250	4160	4245	4160
Iberdrola	1205	1190	1200	1190
Pryca	2515	2490	2495	2490
Repsol	4060	4040	4060	4040
Sevillana Elec	954	938	943	936
Tabacalera	4820	4740	4765	4740
Telefonica	1840	1815	1840	1820
Union Fenosa	700	695	700	696
Valenc Cement	1400	1375	1403	1400

Stock Exchange index: 330.34
Previous: 328.17

Manila

	High	Low	Close	Prev.
Ayala A	22.75	22.50	22.75	22.50
Ayala Land	33.50	33	33.50	33.50
Manila Elec A	165	163	163	164
Metro Bank	570	540	570	540
Petron	15	14.50	15	15
Phil Long Dist	1675	1650	1660	1650
San Miguel A	59	58	58.50	58.50
San Miguel B	99	98	98	99.50
SM Prime Hdg	8.20	7.80	8	8.20

PSE index: 2876.34
Previous: 2873.68

Mexico

	High	Low	Close	Prev.
Alfa A	103.20	101.90	103.00	102.00
Cemex B	31.80	30.90	31.20	31.65
Cifra C	9.92	9.76	9.80	9.86
Empresas ICA	99.30	97.60	98.40	98.50
Emp Moderna	33.65	33.10	33.10	33.25
Femsa	21.90	20.50	20.50	21.95
Gpo Carso A1	51.60	50.20	51.00	50.90
Televisa CPO	99.80	97.60	98.10	97.50
TelMex L	12.76	12.48	12.50	12.50
Tribasa CPO	33.75	32.80	33.20	33.50

Bolsa index: 3054.63
Previous: 3073.97

Milan

	High	Low	Close	Prev.
Alleanza Assic	15350	14900	15040	15000
Bca Comm Ital	3595	3515	3570	3530
Bca Naz Agricol	1195	1090	1110	1075
Bca Naz Lavoro	12100	11805	12100	11800
Bca di Roma	1678	1610	1624	1636
Bca Ambrosian	4675	4515	4565	4515
Benetton	18740	18210	18210	18490
Credito Italiano	1970	1916	1954	1926
Enichem Aug.	N.T.	N.T.	N.T.	3400
Fiat	5555	5405	5460	5455
Fondiaria	7850	7600	7730	7700
Generali Assic	40000	39300	39300	39800
IFIL	5070	4955	5040	4910
Italcementi	10740	10420	10470	10560
Italgas	5175	5030	5125	5075
Mediobanca	11060	10840	10900	10810
Montedison	1030	1009	1025	1016
Olivetti	1065	956	992	1058
Pirelli	2195	2135	2175	2150
RAS	17650	17250	17300	17360
Rinascente	10290	10000	10260	10150
S Paolo Torino	9900	9615	9795	9700
SME	1698	1650	1695	1674
Stenda	21000	21000	21000	21550
Stet	4780	4690	4740	4680
Telecom Italia	2740	2630	2705	2695
Toro Assic	22200	21500	21500	21700

MIB Telematico index: 9797.00
Previous: 9768.00

Montreal

	High	Low	Close	Prev.
Alco I	19⅝	19¼	19¾	19½
Bank Montreal	32⅜	32⅛	32⅜	32⅛
Bce Mob Com	46⅞	46¼	46½	46½
Cdn Tire A	15	15	15	15
Cdn Util A	27	26¾	26⅞	26¾
Cascades	7	6⅞	7	7
CT Finl Svc	24½	24½	24½	24¾
Extendicare	N.T.	N.T.	N.T.	30½
Gaz Metro	15	14⅞	14⅞	15
Gt-West Lifeco	29⅝	29⅜	29⅝	29⅞
Hees Intl Bcp	14½	14⅜	14½	14⅜
Hudson's Bay	18½	18⅜	18½	18⅜
Imasco	27¼	26⅞	27	26¾
Investors Grp	16¾	16⅜	16¾	16⅜
Loblaw Cos	33¼	33⅛	33¼	33
Molson A	24⅛	23⅞	23⅞	24⅛
Natl Bk Canada	11½	11⅜	11⅜	11⅜
Oshawa A	22½	22¼	22¼	22⅜
Pancdn Petlm	51	50¼	50⅜	51⅛
Power Corp	20	19¾	20	19⅞
Power Finl	33½	33⅛	33½	33⅛
Quebecor B	22⅛	21⅞	22⅛	21⅞
Rogers Comm B	15⅛	15⅛	15⅛	15⅛
Royal Bk Cda	32⅛	31⅞	32⅛	31⅞
Sears Canada	6	5⅞	6	6
Shell Cda A	41½	41¼	41⅜	40¾
Southam	14	13⅞	14	13⅞
Stelco A	6⅛	5⅞	6	6
Trilon Finl A	4½	4.40	4½	4.45

Industrials index: 2346.49
Previous: 2331.76

Oslo

	High	Low	Close	Prev.
Aker A	86.50	85.50	86	86.50
Bergesen Dy B	130.50	129	130	127.50
Christiania Bk	15.80	15.30	15.70	15.58
Den Norske Bk	17.80	17.50	17.60	17.60
Dt Norsk Luft	295	291	292	294
Dyno Indust	136	135	135	136
Elkem	68.50	66	68	67.50
Hafslund A	183	180	182.50	179.50
Kvaerner	214.50	207	214.50	210
Leif Hoegh	95	94	94	94
Norsk Hydro	273.50	270.50	271	271
Norske Skog A	179	178	179	177
Orkla	311	305.50	309	309
Rieber B	N.T.	N.T.	N.T.	128
Saga Petlm B	77	74	74	75
Schibsted	88	86	88	88
UniStorebr A	34.20	33.70	33.70	33.70

OBX index: 413.63
Previous: 412.90

Paris

	High	Low	Close	Prev.
Accor	660	649	652	657
AGF	152	146.50	149.40	150.50
Air Liquide	888	877	883	884
Alcatel Alsth	436.90	428.60	433.90	427.50
Axa	331	327.30	331	328
Bancaire	502	490.50	495	493.80
BNP	203.50	197	202.30	197.20
Bouygues	528	515	527	520
Canal Plus	1015	1000	1015	1004
Carrefour	3278	3225	3250	3251
CCF	242.70	239.10	240.40	240
CarnaudMB	224.60	224.30	224.40	224.30
Credit Local cl	429.90	418.50	426.60	416.90
Credit Lyon PC	239	236.10	239	236.50
Danone	807	797	803	800
Elf-Aquitaine	374.50	367.10	371.80	370.10
Eridania BS	864	850	860	859
Euro Disney	12.40	11.90	12.40	11.75
Eurotunnel uts	6.50	6.25	6.50	6.25
Gen. Eaux	535	524	529	522
Havas	409.60	395.50	401.10	401.30
Lafarge Cop	322	315.50	321	317.40
Legrand	842	828	833	830
L'oreal	1432	1396	1428	1418
LVMH	1120	1096	1120	1107
Lyon. Eaux	457	449.40	456.50	451.50
Michelin B	206.90	201	206.60	202.20
Navig Mixte	668	660	660	662
Paribas A	264	256.60	261.70	260
Pechiney Intl	86	84	86	84.10
Pernod Ricard	303	298.50	303	308.90
Peugeot Cit	708	692	706	693
Pinault-Print	1144	1128	1135	1133
Promodes	1300	1262	1286	1262
Renault	151.70	145.80	148.80	148.80
Rh-Poulenc A	107.20	104.30	106.80	105.40
Roussel-Uclaf	937	880	895	910
Sanofi	337.50	327.60	336.10	330
Schneider	190	183.50	185	190.90
Ste Generale	598	579	585	594
St Gobain	581	569	580	576
St Louis	1492	1455	1470	1470
Suez	184.40	179.90	181.90	180
Thomson CSF	120.30	117	120	117
Total B	341.90	333.80	334	337
UAP	117.30	115.20	116.40	115.90
Valeo	253	249	250.70	247.50

CAC-40 index: 1945.97
Previous: 1934.88

São Paulo

	High	Low	Close	Prev.
Bco Brasil Pfd	12.01	11.86	11.98	12.05
Banespa Pfd	5.40	5.28	5.40	5.30
Bradesco Pfd	10.40	10	10.31	10.15
Brahma Pfd	472	470	471.49	472
Cemig Pfd	24.20	23.61	23.65	24.15
CESP Pfd	28.20	27.70	28	28.10
Eletrobras B	296	290	293	293
Itaubanco Pfd	329	325.99	329	328.99
Light	360	349	354	351
Paranapan Pfd	13.15	12.80	13.01	13
Petrobras Pfd	99.99	97	97.50	99.50
Sid Nacional	25.20	24.60	24.69	25.20
Souza Cruz	6.35	6.20	6.35	6.25
Telebras Pfd	54.50	53.20	53.60	54.20
Telesp Pfd	170	167	167.50	171
Usiminas Pfd	1.03	1	1.03	1.02
CVRD Pfd	170	165	167	168

Bovespa index: 49452.50
Previous: 49852.00

Seoul

	High	Low	Close	Prev.
Daewoo Heavy	8200	8000	8200	8060
Hyundai Eng	35700	35100	35500	35100
Hyundai Motor	34300	32900	34300	32600
Korea El Pwr	29200	28700	29000	28800
Korea Mob Tel	610000	578000	608000	578000
LG Electronics	24500	23700	24400	23700
Pohang Iron St	55200	54100	54400	54800
Samsung Elec	137500	130500	137000	130000
Samsung Hvy	19200	18800	19100	19000
Yukong	23700	23400	23700	23200

Composite index: 865.55
Previous: 850.83

Singapore

	High	Low	Close	Prev.
Cerebos Pac	11.50	11.30	11.40	11.40
City Devlts	12	11.60	11.80	11.50
Cycle Carriage	16.60	15.80	15.80	16.60
Dairy Farm Int*	1.04	1.02	1.02	1.02
DBS	10.60	10.50	10.50	10.50
DBS Land	5.40	5.30	5.40	5.35
Fraser & Neave	19.60	19.20	19.20	19.60
HK Land*	2.21	2.16	2.19	2.24
Hong Leong Fin	4.04	4	4.04	4.02
Jard Mathesn*	8.35	8.25	8.30	8.35
Jard Strategic*	3.44	3.42	3.42	3.48
Keppel	13.20	12.80	12.90	13.20
Natsteel	2.90	2.86	2.90	2.85
Neptune Orient	1.66	1.64	1.64	1.63
OCBC foreign	19.20	18.90	18.90	19.10
O'Sea Union Bk	7.10	7.05	7.10	7.05
Sembawang	8.65	8.55	8.65	8.60
Sing Airlines F	14.30	14.10	14.20	14.20
Sing Petm	1.77	1.74	1.74	1.77
Sing Press F	26.30	26	26.30	26
ST Auto F	2.98	2.96	2.98	3
ST Ship	2.76	2.72	2.72	2.74
Sing Telecomm	3.50	3.42	3.48	3.44
Straits Steam	4.82	4.70	4.72	4.66
Utd Industrial	1.53	1.48	1.53	1.49
Utd O'Sea Bk F	15.10	14.70	14.90	14.70
Wing Tai Hdgs	3.20	3.18	3.20	3.20

*: in U.S. dollars.
Straits Times index: 2410.25
Previous: 2433.80

Stockholm

	High	Low	Close	Prev.
AGA BF	97	94.50	95	94
Asea AF	670	662	663	660
AssiDoman F	139	138	138	139
Astra AF	270	262	268.50	260
Atlas Copco AF	102.50	100	101.50	100.50
Avesta F	57	55	56.50	54.50
Electrolux BF	290	285	287	287.50
Ericsson BF	133	130.50	132.50	131
Gambro BF	153	152.50	152.50	152.50
Hennes BF	400	390	396	389
Incentive AF	300	298	300	298
Investor BF	217.50	214	217.50	214
Kinnevik BF	200	196	198	195
MoDo BF	303	292	295	298
Sandvik BF	114	113	113	113.50
SCA BF	102.50	100.50	101	101.50
S-E Banken AF	52	49.30	49.40	51.50
Skandia Fors F	179.50	174.50	175	176.50
Skanska BF	216	213.50	215	213
SKF BF	127	125.50	126.50	125
SSAB BF	68	67.50	68	68
Stora AF	75	74	74.50	74
Sv Handles AF	128	125	125	126
Sydkraft AF	138	136	136	137
Trelleborg BF	72.50	71	72	71
Volvo BF	128.50	126	127	127.50

SX 16 index: 1838.81
Previous: 1812.31

Sydney

	High	Low	Close	Prev.
Amcor	9.85	9.78	9.80	9.87
ANZ Bking	6.55	6.51	6.52	6.56
BHP	18.56	18.42	18.45	18.58
Boral	3.30	3.26	3.29	3.31
Bramblies Ind.	15.46	15.25	15.40	15.50
Burns Philip	2.86	2.82	2.86	2.83
CBA	11.35	11.23	11.33	11.29
CC Amatil	11.75	11.65	11.70	11.75
Coles Myer	4.27	4.24	4.26	4.25
Comalco	6.40	6.25	6.40	6.40
CRA Ltd	18.94	18.70	18.85	18.86
CSR	4.39	4.34	4.35	4.39
Fosters Brew	2.30	2.28	2.30	2.30
GIO Australia	3.28	3.18	3.27	3.22
Goodman Fld	1.32	1.30	1.32	1.30
ICI Australia	10.60	10.55	10.60	10.62
John Fairfax	2.89	2.87	2.88	2.89
Lend Lease	19.97	19.70	19.85	20
Mayne Nickless	5.90	5.80	5.85	5.87
MIM Hdgs	1.75	1.72	1.74	1.73
Nat Aust Bank	12.50	12.44	12.48	12.50
News Corp	7.20	7.06	7.08	7.26
North Ltd	3.72	3.65	3.72	3.65
Pacific Dunlop	3.29	3.26	3.26	3.26
Pioneer Intl	3.62	3.60	3.62	3.60
Placer Pacific	3.01	2.90	2.90	3.05
Santos	3.99	3.97	3.98	3.99
Southcorp	3.27	3.23	3.25	3.25
Wesfarmers	8.30	7.95	8	8.50
Wstrn Mining	8.15	8	8	8.10
Westfield Trt	2.47	2.45	2.47	2.46
Westpac Bking	6.18	6.15	6.16	6.19
Woodside Pet	6.96	6.88	6.91	6.95
Woolworths	3.36	3.30	3.36	3.32

All Ordinaries index: 2235.70
Previous: 2246.60

Taipei

	High	Low	Close	Prev.
Asia Cement	43	42.50	43	42.60
Cathay Life Ins	123	122	122	123
Chang Hwa Bk	100	98	99.50	100
China Steel	21	20.70	20.90	20.90
China Trust	42.10	41.70	42.10	42.10
Evergreen	44.50	43.60	44.50	44.10
Far East Text	24.90	24.60	24.90	24.80
First Bank	102	101	101.50	102.50
Formosa CF	23.40	23.10	23.30	23.10
Hua Nan Bk	86	85	86	85.50
Hualon Teijran	18.70	18.50	18.60	18.70
ICBC	74	73	74	74
President Ent	32.70	32.20	32.60	32.40
Taiwan Cemt	37	35.90	37	36
Tatung	50.50	49.30	50	49.50

Stock Market index: 5813.72
Previous: 5000.25

Tokyo

	High	Low	Close	Prev.
Ajinomoto	1190	1170	1190	1170
All Nippon Air	1040	1020	1040	1020
Asahi Bank	1240	1220	1240	1240
Asahi Chem	785	768	785	770
Asahi Glass	1210	1190	1210	1190
Bank of Tokyo	1720	1680	1710	1680
Bk Yokohama	815	803	810	810
Bridgestone	1610	1580	1610	1600
Canon	1970	1940	1960	1970
Chiba Bank	897	893	896	896
Chubu Elec	2490	2470	2490	2490
Chugoku Elec	2420	2400	2410	2410
Daiei	1260	1240	1250	1240
Daiichi Kang	1950	1930	1940	1920
Daiwa Bank	805	776	802	775
Daiwa House	1690	1680	1690	1680
Daiwa Sec	1520	1480	1520	1490
Fanuc	4550	4500	4540	4470
Fuji Bank	2290	2230	2290	2240
Fuji Photo	3040	2990	3030	3060
Fujitsu	1120	1100	1100	1110
Hitachi	1030	1010	1030	1030
Honda Motor	2210	2160	2210	2180
IBJ	2930	2810	2900	2810
IHI	443	436	443	438
Itochu	718	709	718	715
Ito-Yokado	6060	5910	6010	6060
JAL	710	695	707	712
Jusco	2700	2680	2700	2680
Kajima	1070	1050	1070	1040
Kansai Elec	2510	2490	2500	2510
Kao	1320	1290	1320	1320
Kawa Steel	358	350	357	354
KDD	8450	8400	8430	8450
Kinki Nipp Ry	794	782	790	797
Kirin Brewery	1220	1200	1210	1220
Kobe Steel	318	312	315	317
Komatsu	878	867	876	883
Kubota	658	651	658	648
Kyocera	7550	7460	7550	7570
Kyushu Elec	2460	2430	2440	2460
LTCB	784	769	780	769
Marubeni	554	546	551	547
Marui	2100	2060	2090	2090
Matsu Elec Ind	1710	1680	1700	1710
Matsu Elec Wk	1150	1130	1150	1130
Mitsubishi	1290	1270	1290	1270
Mitsubishi Bk	2330	2290	2320	2290
Mitsubishi Ch	506	497	503	510
Mitsubishi El	752	743	746	743
Mitsubishi Est	1280	1240	1280	1260
Mitsubishi Hvy	821	816	820	822
Mitsubishi Mat	848	843	846	849
Mitsubishi Tr	1720	1680	1720	1700
Mitsui	925	915	924	920
Mitsui Fudosn	1270	1240	1270	1260
Mitsui Trust	1090	1050	1080	1060
Murata Mfg	3630	3620	3630	3700
NEC	1260	1240	1260	1250
New Oji Paper	960	940	960	945
Nikko Sec	1270	1220	1260	1210
Nintendo	7840	7700	7840	7700
Nipp Credit Bk	418	407	418	409
Nipp Express	965	945	960	965
Nippon Oil	609	597	607	600
Nippon Paper	725	718	724	720
Nippon Steel	354	350	354	350
Nippon Yusen	604	592	604	599
Nippondenso	2050	2020	2050	2040
Nissan Motor	824	807	819	820
NKK	286	281	282	288
Nomura Sec	2220	2170	2210	2210
NTT	8190a	8100a	8190a	8150a
Obayashi	859	835	859	835
Odakyu El Ry	710	698	710	700
Ono Pharm	3880	3810	3880	3820
Osaka Gas	380	372	380	375
Ricoh	1130	1110	1120	1130
Sakura Bk	1200	1160	1200	1150
Sankyo	2550	2500	2550	2520
Sanwa Bank	2030	1980	2030	1980
Sanyo Elec	614	602	614	605
Secom	6680	6630	6660	6730
Seibu Rwy	4990	4900	4990	4920
Sekisui House	1350	1330	1340	1350
Seven-Eleven	7150	7030	7090	7110
Sharp	1630	1600	1620	1650
Shimizu	1080	1040	1070	1050
Shin-etsu Ch	2160	2100	2160	2120
Shizuoka Bk	1280	1270	1270	1270
Sony	6300	6230	6300	6470
Sumitomo	1090	1080	1090	1090
Sumitomo Bk	2040	2010	2040	2020
Sumit Chem	519	510	519	516
Sumitomo Elec	1310	1270	1310	1300
Sumit Metal	327	321	327	324
Sumit Trust	1420	1370	1420	1380
Taisei	698	681	693	699
Taisho Pharm	2050	2020	2050	2040
Takeda Chem	1610	1570	1610	1620
TDK	5230	5140	5200	5220
Tohoku El Pwr	2520	2500	2510	2520
Tokai Bank	1360	1310	1350	1330
Tokio Marine	1320	1280	1320	1300
Tokyo El Pwr	2750	2720	2730	2750
Tokyo Gas	376	370	376	374
Tokyu	715	707	715	709
Tonen	1590	1560	1590	1570
Toppan Print	1430	1400	1430	1410
Toray Ind	687	666	687	664
Toshiba	822	801	820	810
Toyo Seikan	3250	3120	3250	3100
Toyo Trust	980	949	980	960
Toyota Motor	2250	2220	2250	2240
Yamaichi Sec	798	780	797	785
Yamanouchi	2300	2270	2280	2280
Yasuda Fire	757	752	757	755
Yasuda Trust	600	564	596	571

a: x 100
Nikkei 225 index: 20312.74
Previous: 20080.92

Toronto

	High	Low	Close	Prev.
Abitibi Price	21½	21⅛	21¼	21¼
Air Canada	4.80	4.65	4¾	4.70
Alberta Energy	22⅜	22⅛	22⅜	22⅛
Alcan Alum	42¾	42¼	42½	42⅜
Avenor A	23¼	23⅛	23¼	23⅛
Bk Nova Scotia	31⅝	31¼	31½	31¼
Barrick Gold	40⅜	39⅝	39⅞	40⅜
BCE	49⅝	48⅝	48⅞	48⅞
BC Telecomm	26	25⅞	25⅞	25⅞
Bombardier B	19⅝	19½	19⅝	19⅝
Brascan A	23¼	22⅞	23⅛	22¾
Cameco	59	58¾	58⅞	58⅝
CIBC	41⅞	41⅜	41⅜	41½
Cdn Airlines	2.59	2.20	2.59	2.30
Cdn Nat Res	20½	20⅛	20¼	20⅜
Cdn Occid Pet	45⅞	44⅞	44⅞	44⅞
Cdn Pacific	25¾	25	25	25⅜
Cominco	27⅛	26½	27⅛	26⅞
Consumers Gas	19½	19¼	19¼	19¼
Dofasco	19½	19⅜	19⅜	19⅞
Domtar Ind B	10	10	10	9⅞
Du Pont Cda A	25½	24¾	25⅛	24¾
Echo Bay Mns	16⅞	16⅜	16⅝	16⅞
Empire Co. A	12¾	12½	12⅜	12⅞
Falconbridge	29⅝	29⅜	29⅝	29½
Fletcher Chall A	19⅝	19⅜	19⅝	19⅝
Franco Nevada	83¾	83	83¾	84
Guardian Cap A	10	9¾	10	9¾
Hemlo Gold	16⅜	16	16⅜	16½
Horsham	18⅝	18⅛	18⅛	18⅞
Imperial Oil	48⅜	48	48⅜	48
Inco	46⅛	45¾	45⅞	46
IPL Energy	33¼	33⅛	33⅛	33½
Laidlaw A	13⅞	13¾	13¾	13½
Laidlaw B	14	13¾	13⅞	13¾
Loewen Group	33½	32⅞	33½	33
Ldn Insur Gp	27⅛	27	27	27¼
Macmill Bld	17⅛	17	17⅛	17⅛
Magna Intl A	57⅛	55½	56½	57½
Maple Leaf Fds	6½	6¼	6½	6½
Moore	25⅜	24⅞	25⅛	25
Newbridge Net	71¼	69⅞	70⅞	69⅞
Noranda Inc	26⅝	26⅜	26⅝	26¼
Noranda Forest	8⅝	8½	8⅝	8⅝
Norcen Energy	19⅞	19¾	19¾	19⅞
Nthern Telecom	62½	61⅛	62⅛	60⅞
Nova	11½	11⅛	11½	11⅜
Onex	14⅜	14⅛	14⅛	14⅛
Placer Dome	37¾	37¼	37½	38
Potash Sask	91	89½	89¾	89⅝
Provigo	8	8	8	8
Quebecor Print	24	23¾	24	23¾
Renaissance	33¾	33¼	33½	33½
Rio Algom	24	23¾	24	23¾
Seagram Co	49½	49⅛	49⅛	49⅝
Stone Consold	18	17⅞	18	18
Talisman Eny	29⅝	28⅞	29⅝	29⅜
Teleglobe	19⅝	18⅞	18⅞	19⅜
Telus	16½	16⅛	16¼	16¼
Thomson	19⅝	19½	19⅝	19½
TorDom Bank	25⅜	25	25⅜	25⅜
Transalta	15⅛	15	15⅛	15⅛
TransCda Pipe	19⅛	19	19⅛	19
Utd Dominion	28⅞	28⅛	28⅝	28⅛
Westburn	9⅝	9	9⅛	9
Westcoast Eny	21⅜	21⅛	21⅜	21⅜
Weston	49⅛	49	49⅛	49

TSE Industrials index: 4864.14
Previous: 4847.62

Vienna

	High	Low	Close	Prev.
Aust Airlines	1910	1910	1910	1919
Brau-Un Goess	545	508	539	505
Bend Vers Pfd	445	445	445	444
Creditanst PC	1630	1625	1630	1625
EA-Generali	3425	3390	3410	3415
EVN	1348	1309	1348	1300
Interunfall	1649	1649	1649	1623
Lenzing	905	901	905	900
Leykam	380	372	379	375
Mayr-Melnhof	565	551	565	547
OEMV	975	961	968	954
Oest Brau-Bet	517	495	514	489
Oest Elektriz	653	647	653	645
VA Tech	1392	1376	1386	1371
Wienerberger	2285	2266	2275	2265

ATX index: 1058.75
Previous: 1045.75

Wellington

	High	Low	Close	Prev.
Air N Zeald B	3.46	3.39	3.40	3.46
Brierly Invt	1.24	1.23	1.24	1.24
Carter Holt ord	2.93	2.81	2.82	2.97
Fernz	4.08	4.06	4.06	4.06
Fisher Paykel	4.68	4.64	4.68	4.68
Fletcher Chall	3.36	3.31	3.31	3.40
Fletcher For	2.07	2.06	2.06	2.09
Goodman Fder	1.43	1.42	1.43	1.43
Indep News	4.90	4.90	4.90	4.95
Lion Nathan	3.46	3.43	3.46	3.45
Nat Gas note	1.98	1.97	1.98	1.96
NZ Refining	N.T.	N.T.	N.T.	23.70
Telecom NZ	6.20	6.02	6.20	6.16
Trust Bk NZ	2.05	2.03	2.03	2.05
Wilson Horton	9.00	8.95	8.95	9.00

NZSE-40 index: 2044.71
Previous: 2064.68

Zurich

	High	Low	Close	Prev.
Adia B	206	203	206	199
Alusuisse R	939	924	926	926
Ares-Serono B	820	810	820	805
Baer Hdg B	1245	1225	1230	1240
Baloise Hdg R	2390	2370	2385	2370
BBC B	1385	1368	1374	1371
Bk Vision	1540	1495	1505	1531
Bobst B	1910	1900	1900	1915
Ciba Geigy R	994	965	982	984
CS Holdings R	113	111.75	111.75	112.50
Elektrowatt B	420	414	418	417
Fischer B	1465	1460	1465	1450
Hilti PC	905	896	905	895
Holderbank B	878	868	870	866
Landis Gyr R	950	945	950	950
Merkur Hdg R	265	261	261	263
Nestle R	1287	1270	1270	1263
Oerlikon R	107	106	106	106
Pargesa Hld B	1480	1480	1480	1500
PharmVision B	6110	6030	6030	6090
Pirelli B	138	134	134	131
Roche Hdg PC	8960	8760	8780	8890
Sandoz R	1066	1055	1058	1050
SBC B	440	434	437	438
Schindler B	1280	1245	1280	1225
SGS B	2305	2275	2290	2265
SMH B	712	701	701	700
Sulzer R	755	737	742	760
Swiss Reins R	1188	1161	1175	1177
Swissair R	985	962	965	990
UBS B	1297	1258	1265	1291
Winterthur B	780	774	776	778
Zurich Assur R	320	316	316	315

SPI index: 2106.87
Previous: 2105.53

Rocco Forte Seeks Luxury-Hotel Chains He Lost to Granada

Bloomberg Business News

LONDON — Sir Rocco Forte, chairman of Forte PLC, proposed n Wednesday a management buyout of the Exclusive, Meridien and Heritage hotel chains from Granada Group PLC, which has just successfully completed a £3.9 billion ($5.9 billion) takeover of Forte.

Sir Rocco said that he made the proposal at a meeting with Gerry Robinson, chief executive of Granada, to discuss arrangements following Granada's takeover.

"I am leading a team working on a plan to purchase from Granada the hotel business of Forte other than Posthouses and Travelodge," he said. "My objective is to make a detailed proposal to Granada in the coming weeks."

He said further that he believed that "the new Forte company which could emerge" is better placed than any other buyer to develop the Meridien, Exclusive and Heritage chains, as well as Forte's London hotels, but he declined to disclose details.

Meanwhile, Granada announced on Wednesday an increase in sales and profit at its existing businesses in its first financial quarter, which began on Oct. 1.

The Granada chairman, Alex Bernstein, told shareholders at the company's annual general meeting that earnings in the current financial year, which began on Oct. 1, were higher than a year ago, led by gains at its catering, highway-services and rentals divisions.

"It's early days in the year, but some of the recent acquisitions are going well," said Christopher Page, an analyst at Goldman, Sachs & Co. "The bigger issue here is how quickly they can integrate Forte and make the disposals."

The British leisure company said it had "a clear plan to invest for growth in the businesses we are retaining to improve profits and enhance earnings" but it did not say anything specific about reorganization plans or intended job cuts.

Granada said that following the Forte acquisition it would consist of four "well-balanced" divisions: hotels, television, leisure services and rentals.

"The balance between these businesses minimizes any risk from economic cycles or a market downturn," Mr. Bernstein said to the shareholders.

Shares in Granada closed 20 pence higher on Wednesday, at 700 pence.

Incentive Sells Hasselblad

Sweden's prestige photographic equipment maker Hasselblad AB has been sold for an undisclosed sum to a consortium of company management and to Swiss and British financiers, said the former owners Incentive AB, according to a Reuters dispatch from Stockholm.

The new owners include Union Bank of Switzerland, Capital BV of the Netherlands and Hasselblad management, with UBS putting up the lion's share of the capital, said Mr. Janel, president of Hasselblad.

Spanish Banking's Final 4

After Shakeout, More Consolidation Expected

Reuters

MADRID — Spain's banking sector has been drastically restructured by a series of mergers over the past seven years, but as banks gear up for what analysts expect to be a tough 1996, there is talk of further changes.

Following two big mergers, a grouping of state banks, and a traumatic takeover, the banking sector is now dominated by four large companies. This, however, is unlikely to be the final picture.

News last Friday that a syndicate was being sought to place 25 percent of state-owned Argentaria SA surprised markets, which had not expected a move so close to March elections.

Argentaria's future is inextricably tied to the government that emerges from March elections. Opinion polls show that the opposition Popular Party is likely to win and if it is able to form a government, bets are open on whether the bank remains an independent entity.

The sector has two leaders, Banco Bilbao Vizcaya SA and Banco Santander SA. Both are nervously watching each other for preemptive strikes and each wants to avoid falling behind the other in size.

Each bank is strongly capitalized and highly profitable, and each boasts a market share of just over 20 percent in terms of deposits.

Banco Bilbao, traditionally a conservative bank, is committed to growth while Santander has imposed competition on the sector.

"Spanish banks used to ride comfortably in the pack," the chairman of one leading Spanish bank said. "But Socialist governments have forced the pace by encouraging competition and some are getting left behind."

This became evident as Argentaria and Banco Central Hispanoamericano SA, third- and fourth-biggest by assets, struggled in 1995 to rebuild profits while others rode out the impact of the recession in 1993 and 1994.

The sector is currently rife with rumors that Argentaria's chairman, Francisco Luzón, appointed by the Socialists in 1991, may not last if the Popular Party takes over, or that Banco Central Hispano is ripe for a management upheaval or merger.

Both banks energetically deny that anything is afoot. But they are uneasy and aware that their profit-and-loss accounts are not helping and that their share prices are languishing.

Analysts expect Argentaria on Friday to post a modest rise of 4 percent in net attributable profit, to about 69 billion pesetas ($553.5 million), while Banco Central Hispano is seen announcing a profit next week that is little changed, at about 34 billion pesetas.

Sluggish Argentaria profits are not helping the initial response to its share offer plans. Stock traders fear that uncertainty over its future will discourage investors, although the bank insists that market conditions are better now than they will be later in the year.

There are few doubts in the market that Banco Bilbao Vizcaya would take over Argentaria, or some of its more attractive components such as the Caja Postal savings bank. Or that Santander would also grab portions of Argentaria if it were broken up.

Banco Central Hispano is also under intense pressure to turn its results around, even though a poor full-year profit has already probably been discounted since the board last month dipped into reserves to pay a final dividend.

"The situation may become extremely delicate if, by April, Central Hispano is unable to show some clear first quarter improvement," said one Spanish banker.

Banco Central Hispano is a good investment, at least on paper, since it has set aside 800 billion pesetas in provisions for loan losses and other items in the past two years.

Doubts linger, however, that the setting aside of provisions may not be over.

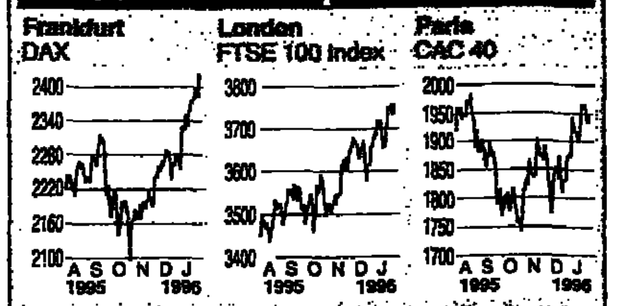
Spain Claims Jobs Growth

The Spanish labor minister, José Antonio Grinan, said the economy was creating more employment as the result of controls in salary growth and reforms of hiring practices, the Labor Minister said, according to Bloomberg Business News in Madrid.

Net unemployment dropped by almost 180,000 people in 1995, a 7 percent drop from 1994 and the third-largest decrease since 197.

Nevertheless the jobless rate still ended the year at 15.13 percent, the highest in the European Union, based on the unemployment insurance claims registered with the Labor Ministry.

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	EOE	508.69	504.80	+0.77
Brussels	Stock Exchange	8,888.88	8,880.65	+0.09
Frankfurt	DAX	2,423.07	2,384.47	+1.62
Copenhagen	Stock Market	387.27	385.10	+0.56
Helsinki	HEX General	1,713.48	1,712.27	+0.07
Oslo	OBX	413.63	412.90	+0.18
London	FTSE 100	3,758.29	3,735.00	+0.62
Madrid	Stock Exchange	330.34	328.17	+0.66
Milan	MIBTEL	9,797.80	9,768.00	+0.30
Paris	CAC 40	1,945.87	1,934.08	+0.61
Stockholm	SX 16	1,828.81	1,812.31	+0.91
Vienna	ATX	1,058.75	1,045.75	+1.24
Zurich	SPI	2,106.07	2,105.63	+0.03

Source: Telekurs — International Herald Tribune

Very briefly:

- **Daimler-Benz InterServices AG**, a financial and computer services unit of **Daimler-Benz AG**, said 1995 sales rose 7.4 percent, to 11.6 billion Deutsche marks ($7.9 billion), as it raised its market share for information-technology services.
- **Ciba-Geigy AG** said 1995 net consolidated sales fell 6 percent, to 20.70 billion Swiss francs ($19.5 billion), from a year ago because of the franc's strength. But the Swiss pharmaceutical company expects 1995 profit to rise "substantially" from 1.9 billion francs in 1994.
- **Philips Electronics NV** plans to form a subsidiary dedicated to mobile-telecommunications services, to be based in Le Mans, France.
- **Siemens AG** of Germany plans to form a telecommunications venture with **Società Finanziara Telefonica per Azioni**, or **STET**, of Italy.
- **W. H. Smith PLC** said first-half pretax profit plunged 62 percent, to £17.3 million ($26.1 million), as high costs and increased competition dented the British retailer's earnings.
- **The European Commission** approved a 15.2 billion French franc ($3 billion) package of state aid to **Comptoir des Entrepreneurs**, a French property company, to fund radical restructuring of its business.

Names, names, names . . .

- **Hans Hugendubel, Robert Oswald** and **Gotthard Romberg** will become management board members of **Robert Bosch GmbH** on July 1. They succeed **Hermann Eisele, Hansjörg Manger** and **Wolfgang Hugo**, who are retiring.
- **Karsten Witt** has been appointed president of PolyGram NV's Deutsche Grammophon GmbH unit in Hamburg.
- **Frank J. McKay** has been appointed board chairman of Compagnie Internationale du Chauffage SA, Finimétal SA and the Celsius Group, all French subsidiaries of Blue Circle Industries PLC.

AFX, Bloomberg

EBRD Note Offers 20% – With Some Zloty Suspense

By Carl Gewirtz
International Herald Tribune

PARIS — Interested in an investment that pays more than 20 percent annual interest?

Willing to take some risk on the currency depreciating?

But do you insist that the operation be simple, and the credit quality impeccable?

Then the London-based, triple-A-rated European Bank for Reconstruction and Development has just the product — $30 million of notes that mature in 357 days and are indexed to the Polish zloty. The Eurobond, announced Wednesday by Chemical Investment Bank, is the first international issue that is indexed to the Polish currency.

In line with current domestic Polish rates, interest on the notes is set at 20.5 percent. At the slightly discounted offering price of 99.9 percent of face value, the yield to maturity is 20.62 percent.

That is almost a percentage point below what could be earned from the purchase of Polish government paper in Warsaw, but the Eurobond makes it possible for the buyer to avoid the trouble of passing through the foreign-exchange market or dealing with intermediaries in Poland.

Like all Eurobonds, the paper is tax-free and can be traded and settled via Euroclear or Cedel, the major clearing houses for international securities. In addition, both subscription and redemption will be paid in U.S. dollars.

The catch — of course there is a catch — is that official Polish policy is targeted at a crawling devaluation of the zloty of 0.9 percent a month. Nor is there any certainty that the erosion will be kept within that band.

But assuming it is, a Chemical Bank spokesman calculated that the compound monthly decline in the value of the zloty would still leave an investor pocketing annual interest of 9.1 percent, compared with the 5 percent that is currently available on 12-month Eurodollar deposits.

The issue is structured as a global offering of registered notes, making it available for sale in the United States, and a Chemical spokesman estimated that up to 15 percent of the issue is expected to be placed there and up to 10 percent in Asia.

Institutional fund managers in Britain and the Benelux countries account for more than half the demand with the remainder spread around the rest of Western Europe. The paper is not for sale within Poland, where there is a withholding tax on interest income.

For the EBRD, the transaction is primarily a vehicle for achieving its aggressive target of swapping liabilities into floating-rate dollars at 30 basis points below the benchmark London interbank offered rate.

AMEX

Wednesday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
[illegible]					

U.S. STOCK MARKET DIARY

Dow Jones Bond

	Close	Chg.
20 Bonds	105.74	+0.08
10 Utilities	102.25	+0.16
10 Industrials	109.24	+0.01

Trading Activity

NYSE

	Close	Prev.
Advanced	1488	1136
Declined	899	1201
Unchanged	721	756
Total issues	3108	3093
New Highs	146	106
New Lows	24	15

Nasdaq

	Close	Prev.
Advanced	1994	1808
Declined	1561	1749
Unchanged	1768	1758
Total issues	5323	5315
New Highs	144	137
New Lows	65	71

AMEX

	Close	Prev.
Advanced	301	261
Declined	245	307
Unchanged	212	200
Total issues	758	768
New Highs	38	34
New Lows	9	13

Market Sales

	Today 4:00	Prev. cons.
NYSE	476.52	510.07
Amex	23.48	29.07
Nasdaq	547.28	533.87

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Border Chem Plas	-	.57	2-2	2-14
DuffPhelps Utilnco	-	.06	1-31	2-12
Ellsworth Cv	-	.12	2-12	2-26
Microwave Filter	-	.05	2-1	2-15
Strrom Capital	-	.08	1-26	2-9
STOCK SPLIT				
Netscape Commun 2 for stock split.				
Oak Technology 2 for 1 stock split.				
Pittway Corp 3 for 2 stock split.				
Sterling Bncsh TX 3 for 2 split.				
Travelers Group 3 for 2 split.				
Warner Lambert 2 for 1 split.				
Xerox Corp 3 for 1 stock split.				
STOCK				
Microwave Filter	-	5%	2-1	2-15
REVERSE STOCK SPLIT				
Silicon Valley 1 for 2reverse split.				
INCREASED				
Banknorth Group	Q	.25	2-16	3-1
Capitol Bncp Ltd	Q	.09	2-1	3-1
Center Banks	Q	.06	2-13	2-27
Janovex Inc	Q	.043	2-14	2-28
Kansas City Lf	Q	.42	2-5	2-20
Latchworth Indept	Q	.16	2-5	3-4
Omega Hlthcare	Q	.62	2-5	2-15
Pinnacle Banc	Q	.31	2-5	2-15
Rollins Inc	Q	.145	2-9	3-11
Sterling Bk TX.	Q	.105	2-2	2-14
Travelers Group	Q	.225	2-5	2-23
Watts Indus	Q	.07	2-1	3-15
Xerox Corp	Q	.87	3-1	4-1
SPECIAL				
Victoria Bkshs	-	.09	2-5	2-20
EXTRA				
Pengrowth Gas	g	.051	2-1	2-15
INITIAL				
FirstFed Fin n	-	.12	2-2	2-22
Mississippi View	-	.08	2-3	2-15
Money Store n	-	.021	2-15	3-1
Pittway Corp n	-	.0667	3-15	4-2
Pittway Corp A n	-	.0833	3-15	4-2
TCF Fincl n	-	.1563	2-9	2-29
REGULAR				
Arganaut Grp	Q	.33	2-6	2-21
Brascan Ltd	Q	.26	2-1	2-29
DuPont El Nem	Q	.52	2-15	3-14
Eaton Corp	Q	.40	2-5	2-23
Fleming Cos	Q	.30	2-20	3-8
Ft Wayne Ntl	Q	.24	3-8	4-1
Mapco Inc	Q	.25	2-26	3-8
Minnesota P&L	Q	.51	2-15	3-1
NCH Corp	Q	.30	3-1	3-15
NUI Corp	Q	.24	2-2	2-1
Norwest Corp	Q	.24	2-2	3-1
Provident Bncp	Q	.275	2-6	2-23
Schlumberger Ltd	Q	.375	2-23	4-5

a-annual; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 24, 1996

Grains

	High	Low	Close	Chge	Opint
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	3.61¼	3.58¼	3.58¾	—0.02	1,799
May 96	3.64½	3.61½	3.61¾	—0.02¼	116,423
Jul 96	3.59¼	3.56¼	3.57	—0.02	86,777
Sep 96	3.07½	3.04¾	3.05	—0.02½	24,850
Dec 96	2.91¾	2.89¼	2.89¾	—0.01½	54,413
Est. sales N.A. Tue's. sales 103,044					
Tue's open int 489,342 off 3723					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Mar 96	236.80	234.90	235.30	—1.60	50,090
May 96	238.50	237.00	237.40	—1.50	17,376
Jul 96	238.80	237.30	237.60	—1.80	17,012
Aug 96	237.00	235.70	235.70	—1.80	2,633
Sep 96	231.80	230.00	230.50	—2.20	2,119
Oct 96	223.00	221.50	221.80	—0.90	1,309
Est. sales N.A. Tue's. sales 22,539					
Tue's open int 94,716 up 1686					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Mar 96	24.34	24.02	24.12	+0.14	44,903
May 96	24.68	24.38	24.45	+0.11	17,551
Jul 96	25.00	24.72	24.79	+0.12	13,267
Aug 96	25.15	24.88	24.92	+0.09	3,891
Sep 96	25.28	25.00	25.05	+0.13	2,021
Oct 96	25.40	25.20	25.20	+0.15	1,645
Est. sales N.A. Tue's. sales 12,457					
Tue's open int 89,498 up 337					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	7.40¾	7.34¼	7.35¼	—0.02¼	93,022
May 96	7.46	7.40½	7.41¼	—0.01¾	30,562
Jul 96	7.48	7.42½	7.43¼	—0.01½	30,877
Aug 96	7.43	7.38	7.39¼	—0.01¼	2,920
Sep 96	7.20½	7.17	7.17¼	—0.00¼	2,426
Est. sales N.A. Tue's. sales 51,546					
Tue's open int 196,467 off 1086					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	4.95½	4.88½	4.91¾	—0.00½	51,146
May 96	4.67½	4.61½	4.62¾	—0.01¼	11,344
Jul 96	4.33	4.29	4.29½	—0.01	32,470
Sep 96	4.34	4.29½	4.31½		6,504
Est. sales N.A. Tue's. sales 31,646					
Tue's open int 104,705 off 1473					

Livestock

	High	Low	Close	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 96	64.32	63.30	63.45	—0.65	24,731
Apr 96	64.95	63.65	63.95	—0.80	20,845
Jun 96	61.65	61.10	61.12	—0.40	13,042
Aug 96	60.75	60.35	60.42	—0.18	5,815
Oct 96	61.92	61.50	61.85	+0.03	5,309
Dec 96	62.05	61.52	61.92	—0.03	2,788
Est. sales 71,733 Tue's. sales 16,238					
Tue's open int 72,947 off 540					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 96	59.80	59.65	59.67	—0.28	1,343
Mar 96	58.05	56.95	57.05	—1.00	7,721
Apr 96	58.12	57.20	57.20	—0.92	2,978
May 96	58.55	57.80	57.82	—0.73	3,443
Aug 96	59.65	59.05	59.77	—0.63	3,445
Sep 96	59.55	58.90	59.10	—0.70	483
Est. sales 3,071 Tue's. sales 2,036					
Tue's open int 20,048 off 10					
HOGS-LIVE(2/97 HOGS-LEAN) (CMER) 40,000 lbs.- cents per lb.					
Feb 96	46.02	45.40	45.77	+0.30	9,260
Apr 96	45.20	44.60	44.72	—0.23	11,116
Jun 96	50.57	49.95	50.10	—0.22	6,801
Jul 96	49.72	49.15	49.15	—0.30	2,254
Aug 96	48.45	48.15	48.22	—0.13	3,339
Oct 96	44.97	44.60	44.72	—0.15	1,467
Est. sales 9,807 Tue's. sales 5,317					
Tue's open int 35,948 up 507					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 96	54.20	52.85	53.02	—0.83	3,587
Mar 96	53.90	52.80	53.15	—0.52	1,453
May 96	54.87	53.70	53.70	—0.85	1,095
Jul 96	55.00	54.30	54.60	—0.52	845
Aug 96	53.20	52.02	52.02	—0.78	226
Est. sales 1,850 Tue's. sales 1,999					
Tue's open int 7,406 up 33					

Food

	High	Low	Close	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 96	1268	1255	1259	—9	33,650
May 96	1292	1280	1283	—8	23,385
Jul 96	1313	1301	1304	—7	8,463
Sep 96	1332	1324	1325	—7	9,432
Dec 96	1365	1361	1363	—7	8,673
Est. sales 9,332 Tue's. sales 7,156					
Tue's open int 91,368 off 299					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 96	109.30	105.80	108.90	+2.90	15,102
May 96	108.00	104.80	107.70	+1.85	4,538
Jul 96	107.20	104.40	107.00	+1.50	2,832
Sep 96	106.50	103.75	106.50	+1.60	1,606
Est. sales 9,295 Tue's. sales 8,806					
Tue's open int 27,203 up 108					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 96	11.81	11.58	11.67	—0.09	56,564
May 96	11.30	11.03	11.10	—0.05	29,358
Jul 96	10.30	10.11	10.17	+0.01	20,866
Oct 96	10.05	9.92	9.98	+0.01	20,708
Est. sales 22,036 Tue's. sales 33,035					
Tue's open int 142,707 up 915					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 96	116.75	115.20	115.50	+0.20	15,205
May 96	119.00	117.70	117.70	+0.30	3,723
Jul 96	119.90	119.50	119.70	+0.20	1,367
Sep 96	121.50	120.50	120.50	—0.75	1,149
Est. sales N.A. Tue's. sales 1,301					
Tue's open int 23,402 off 38					

Metals

	High	Low	Close	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 96	404.20	402.00	403.40	—0.10	
Feb 96	404.50	401.50	403.50	—0.10	84,743
Mar 96	403.80	402.50	404.70	—0.10	9
Apr 96	407.10	404.20	406.10	—0.30	48,058
Jun 96	409.30	406.50	408.00	—0.30	27,950
Aug 96	409.50	409.00	409.70	—0.30	9,802
Oct 96			411.30	—0.30	4,039
Dec 96	414.10	411.50	412.90	—0.30	13,561
Est. sales N.A. Tue's. sales 81,566					
Tue's open int 226,823 off 8359					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jan 96	119.80	116.50	119.70	+0.90	1,379
Mar 96	116.40	114.00	116.20	+0.95	28,157
Apr 96	114.80	112.70	114.80	+0.95	926
May 96	113.80	111.75	113.70	+0.95	5,958
Jul 96	112.40	110.50	112.20	+0.95	2,823
Aug 96			111.50	+0.95	
Sep 96	111.00	109.50	110.70	+0.85	2,588
Oct 96			110.10	+0.90	362
Nov 96			109.55	+0.90	
Est. sales N.A. Tue's. sales 8,839					
Tue's open int 49,898 up 696					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 96	550.0	550.0	549.5	—4.7	26
Feb 96			551.6	—4.8	
Mar 96	557.5	547.5	552.7	—4.8	59,005
May 96	561.5	553.0	557.7	—4.8	14,338
Jul 96	563.5	558.0	562.0	—4.8	7,944
Sep 96	570.0	565.0	566.0	—4.8	9,405
Dec 96	575.0	569.0	572.1	—4.8	5,795
Jan 97			574.9	—4.8	
Est. sales N.A. Tue's. sales 21,820					
Tue's open int 100,483 up 540					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 96	421.00	421.00	418.30	—3.70	
Apr 96	426.00	420.20	421.80	—3.70	20,452
Jul 96	426.00	423.50	423.50	—3.70	2,809
Oct 96	427.50	425.50	425.20	—3.70	1,102
Jan 97			426.80	—3.70	
Est. sales N.A. Tue's. sales 2,960					
Tue's open int 24,418 off 209					

LONDON METALS (LME) Dollars per metric ton	Close		Previous	
Aluminum (High Grade)				
Spot	1550½	1551½	1547.00	1548.00
Forward	1580.00	1581.00	1575.00	1576.00
Copper Cathodes (High Grade)				
Spot	2560.00	2565.00	2574.00	2579.00
Forward	2511.00	2512.00	2511.00	2512.00
Lead				
Spot	734.00	736.00	722½	723½
Forward	727.00	728.00	717.00	718.00
Nickel				
Spot	8260.00	8270.00	8225.00	8235.00
Forward	8355.00	8360.00	8325.00	8330.00
Tin				
Spot	6295.00	6305.00	6265.00	6275.00
Forward	6330.00	6305.00	6300.00	6310.00
Zinc (Special High Grade)				
Spot	1045½	1046½	1023½	1024½
Forward	1067.00	1068.00	1045.00	1046.00

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 96	95.22	95.14	95.18		9,446
Jun 96	95.52	95.44	95.48	+0.01	6,391
Sep 96	95.62	95.57	95.60	+0.03	601
Dec 96			95.57		2
Est. sales N.A. Tue's. sales 1,057					
Tue's open int 16,440 up 423					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	110-20	110-07	110-16	+ 065	154,958
Jun 96	110-135	110-05	110-105	+ 07	13,752
Sep 96	110-125	110-045	110-10	+ 075	3,762
Est. sales 49,500 Tue's. sales 37,257					
Tue's open int 172,472 up 145					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	114-23	114-03	114-18	+ 11	249,720
Jun 96	114-03	113-20	114-00	+ 11	26,134
Sep 96	114-03	114-02	114-02	+ 11	5,477
Est. sales 83,396 Tue's. sales 81,378					
Tue's open int 281,331 up 5940					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 96	120-30	119-29	120-29	+ 26	334,998
Jun 96	120-16	119-20	120-15	+ 26	28,145
Sep 96	119-30	119-11	119-30	+ 26	5,469
Dec 96	119-12	118-25	119-12	+ 26	1,293
Est. sales 450,000 Tue's. sales 316,971					
Tue's open int 371,406 up 1209					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar 96	112-03	111-24	111-31	+ 0-10	146,189
Jun 96	111-08	111-06	111-09	+ 0-10	848
Est. sales: 53,232. Prev. sales: 81,341					
Prev. open int.: 147,037 up 1,197					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 96	101.20	100.92	101.18	+ 0.32	226,482
Jun 96	100.40	100.26	100.46	+ 0.30	9,434
Sep 96	N.T.	N.T.	99.61	+ 0.41	4
Est. sales: 183,702. Prev. sales: 177,720					
Prev. open int.: 246,120 up 2,005					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 96	123.32	122.84	123.10	+ 0.04	
Jun 96	123.76	123.38	122.62	+ 0.08	
Sep 96	122.48	122.20	122.40	+ 0.06	
Est. volume:200,572. Open int.:138,099					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 96	112.89	111.85	112.41	+ 0.45	61,504
Jun 96	112.30	111.80	111.94	+ 0.43	2,793
Est. sales: 67,992. Prev. sales: 76,416					
Prev. open int.: 64,297 off 1,433					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Feb 96	94.620	94.570	94.590		17,368
Mar 96	94.720	94.650	94.690		434,304
Apr 96	94.840	94.790	94.820	+10	3,533
Jun 96	95.080	95.000	95.030		452,950
Sep 96	95.220	95.140	95.180	+30	286,761
Dec 96	95.170	95.070	95.130	+40	254,320
Mar 97	95.110	95.020	95.070	+40	180,576
Jun 97	95.000	94.910	94.950	+30	167,466
Est. sales N.A. Tue's. sales 386,054					
Tue's open int 2,581,617 up 9369					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 96	1.5126	1.5062	1.5090	—36	43,596
Jun 96	1.5070	1.5040	1.5062	—36	232
Sep 96			1.5030	—34	5
Dec 96			1.4996	—36	30
Est. sales 8,096 Tue's. sales 6,004					
Tue's open int 43,863 up 692					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 96	.7314	.7292	.7296	—9	25,271
Jun 96	.7306	.7289	.7292	—9	2,141
Sep 96	.7295	.7290	.7284	—9	602
Dec 96			.7274	—9	1,073
Est. sales 3,241 Tue's. sales 5,588					
Tue's open int 29,221 up 417					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 96	.6789	.6746	.6754	—28	82,824
Jun 96	.6807	.6782	.6788	—27	3,220
Sep 96	.6820	.6820	.6819	—36	1,358
Dec 96			.6849	—25	73
Est. sales N.A. Tue's. sales 27,469					
Tue's open int 87,475 up 1042					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 96	.009520	.009400	.009413	—106	76,124
Jun 96	.009602	.009517	.009524	—108	3,478
Sep 96	.009632	.009622	.009627	—110	671
Est. sales N.A. Tue's. sales 12,313					
Tue's open int 80,456 off 380					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 96	.8464	.8417	.8430	—32	42,640
Jun 96	.8525	.8488	.8504	—31	1,131
Sep 96	.8588	.8570	.8573	—31	102
Est. sales 13,787 Tue's. sales 14,923					
Tue's open int 44,342 up 329					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar 96	93.93	93.90	93.91	Unch.	91,612
Jun 96	94.17	94.14	94.15	+ 0.02	79,453
Sep 96	94.20	94.16	94.17	+ 0.03	64,669
Dec 96	94.04	93.99	94.01	+ 0.04	45,239
Mar 97	93.79	93.76	93.77	+ 0.04	30,496
Jun 97	93.55	93.53	93.54	+ 0.04	29,347
Sep 97	93.34	93.30	93.32	+ 0.03	21,371
Dec 97	93.12	93.09	93.11	+ 0.03	14,141
Mar 98	92.95	92.94	92.93	+ 0.02	7,167
Jun 98	92.79	92.76	92.78	+ 0.03	4,795
Sep 98	92.66	92.65	92.65	+ 0.03	3,492
Dec 98	92.53	92.52	92.52	+ 0.03	2,616
Est. sales: 49,851. Prev. sales: 79,265					
Prev. open int.: 394,298 up 608					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar 96	96.72	96.69	96.72	+ 0.04	177,492
Jun 96	96.85	96.82	96.85	+ 0.03	172,156
Sep 96	96.85	96.81	96.84	+ 0.04	152,695
Dec 96	96.71	96.67	96.70	+ 0.06	148,431
Mar 97	96.51	96.46	96.51	+ 0.07	129,439
Jun 97	96.26	96.20	96.25	+ 0.08	114,884
Sep 97	95.95	95.88	95.95	+ 0.09	73,986
Dec 97	95.61	95.55	95.60	+ 0.07	49,866
Mar 98	95.30	95.24	95.30	+ 0.08	29,634
Jun 98	95.01	94.94	95.00	+ 0.08	26,504
Sep 98	94.72	94.67	94.70	+ 0.06	15,913
Dec 98	94.43	94.40	94.41	+ 0.05	7,871
Est. sales: 157,894. Prev. sales: 192,683					
Prev. open int.: 1,100,071 up 8,316					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 96	95.49	95.40	95.45	+ 0.02	
Jun 96	95.70	95.62	95.66	+ 0.01	
Sep 96	95.75	95.67	95.71	+ 0.01	
Dec 96	95.66	95.58	95.61	Unch.	
Mar 97	95.52	95.45	95.47	Unch.	
Jun 97	95.35	95.26	95.27	— 0.02	
Sep 97	95.12	95.04	95.05	Unch.	
Dec 97	94.83	94.79	94.81	+ 0.04	
Est. volume:52,232. Open int.:190,800					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar 96	90.70	90.48	90.60	+ 0.04	48,755
Jun 96	91.19	91.04	91.10	+ 0.04	28,929
Sep 96	91.45	91.32	91.35	+ 0.02	14,100
Dec 96	91.54	91.38	91.46	+ 0.02	9,296
Mar 97	91.55	91.45	91.48	+ 0.01	4,654
Jun 97	91.54	91.45	91.48	+ 0.03	1,908
Est. sales: 25,701. Prev. sales: 27,148					
Prev. open int.: 109,642 off 414					

Industrials

	High	Low	Close	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 96	86.75	85.25	86.42	+1.86	20,630
May 96	86.40	84.90	86.23	+2.30	12,795
Jul 96	85.45	84.00	85.35	+2.25	7,822
Oct 96	80.20	79.75	80.10	+0.30	1,751
Dec 96	78.15	77.50	78.15	+0.65	11,490
Mar 97	78.50	78.50	78.50	+0.32	
Est. sales N.A. Tue's. sales 815					
Tue's open int 57,289 up 84					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 96	53.35	52.10	52.72	—0.23	26,629
Mar 96	52.40	51.55	52.07	+0.25	31,120
Apr 96	50.25	49.55	50.17	+0.60	12,747
May 96	48.35	48.10	48.52	+0.70	7,232
Jun 96	47.70	47.20	47.92	+0.80	9,474
Jul 96	47.70	46.90	47.87	+0.80	5,346
Aug 96	48.00	47.70	48.32	+0.80	3,420
Sep 96	48.30	48.30	49.02	+0.80	2,175
Oct 96			49.72	+0.80	1,929
Nov 96	49.65	49.65	50.42	+0.85	1,967
Est. sales N.A. Tue's. sales 28,206					
Tue's open int 108,625 up 659					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Mar 96	18.32	17.85	18.26	+0.22	80,253
Apr 96	17.93	17.50	17.88	+0.21	47,254
May 96	17.72	17.33	17.67	+0.20	30,197
Jun 96	17.56	17.24	17.52	+0.20	29,914
Jul 96	17.43	17.20	17.41	+0.19	28,113
Aug 96	17.33	17.14	17.32	+0.17	17,456
Sep 96	17.26	17.18	17.26	+0.17	13,379
Oct 96	17.22	17.02	17.20	+0.16	11,674
Nov 96	17.14	17.14	17.14	+0.15	13,171
Dec 96	17.17	16.96	17.08	+0.14	32,422
Jan 97	17.11	16.96	17.07	+0.14	11,738
Feb 97	17.10	16.93	17.05	+0.14	7,242
Mar 97	17.08	17.08	17.02	+0.14	
Est. sales N.A. Tue's. sales 66,920					
Tue's open int 390,672 off 3365					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jan 96	2.720	2.200	2.480	+35	21,419
Mar 96	2.285	1.960	2.050	—5	24,623
Apr 96	2.050	1.880	1.930	—15	14,646
May 96	1.980	1.825	1.870	—5	13,301
Jun 96	1.890	1.800	1.820	—15	11,184
Jul 96	1.840	1.790	1.810	—10	8,924
Aug 96	1.830	1.800	1.815	—5	8,309
Sep 96	1.830	1.800	1.805	—15	4,717
Oct 96	1.855	1.840	1.850	—9	6,423
Nov 96	1.935	1.910	1.910	—35	4,199
Dec 96	2.050	2.030	2.030	—14	7,451
Est. sales N.A. Tue's. sales 59,294					
Tue's open int 150,411 off 5097					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 96	54.40	52.80	54.20	+0.54	17,294
Mar 96	53.60	52.50	53.46	+0.28	21,384
Apr 96	55.95	55.10	55.80	+0.27	12,374
May 96	55.50	54.70	55.35	+0.22	7,782
Jun 96	54.85	54.50	54.65	+0.22	3,990
Jul 96	53.90	53.80	53.80	+0.22	3,623
Est. sales N.A. Tue's. sales 34,140					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 96	156.00	153.50	155.25	- 0.50	23,907
Mar 96	154.00	152.00	153.75	+ 0.25	15,260
Apr 96	152.00	150.25	151.75	+ 0.25	7,980
May 96	150.25	148.50	149.50	Unch.	3,473
Jun 96	148.75	147.25	148.50	+ 0.25	5,288
July 96	148.50	147.25	148.50	+ 0.25	4,534
Aug 96	N.T	N.T	149.75	+ 0.50	1,575
Sep 96	150.50	150.50	151.00	+ 0.50	551
Oct 96	152.25	152.25	152.75	+ 0.25	476
Est. sales:14,709. Open int.:66,155, off 1,795					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Mar 96	17.05	16.70	16.99	+0.12	68,813
Apr 96	16.67	16.25	16.62	+0.15	22,730
May 96	16.44	16.13	16.40	+0.15	17,239
June 96	16.28	16.04	16.25	+0.14	15,616
July 96	16.17	15.96	16.14	+0.13	8,036
Aug 96	16.05	15.88	16.06	+0.12	4,461
Sep 96	16.06	15.83	15.99	+0.11	2,010
Oct 96	N.T.	N.T.	15.94	+0.11	1,557
Nov 96	N.T.	N.T.	15.90	+0.11	1,234
Dec 96	N.T.	N.T.	15.86	+0.10	4,035
Jan 97	15.71	15.71	15.83	+0.10	3,990
Feb 97	15.69	15.69	15.81	+0.10	0
Est. sales: 38,726. Open int.:149,721 off 2,844					

Stock Indexes

	High	Low	Close	Chge	Opint
S&P COMP. INDEX (CMER) 500 x index					
Mar 96	622.80	616.00	622.35	+6.20	190,276
Jun 96	628.30	622.50	628.30	+6.65	6,435
Sep 96	632.70	630.00	631.50	+5.40	2,744
Dec 96	636.80	630.80	634.90	+4.70	158
Est. sales N.A. Tue's. sales 62,806					
Tue's open int 199,613 up 1133					
FTSE 100 (LIFFE) £25 per index point					
Mar 96	3777.0	3748.0	3775.0	+ 20.0	65,493
Jun 96	3770.0	3762.5	3777.5	+ 20.0	1,184
Est. sales: 11,451. Prev. sales: 7,922					
Prev. open int.: 66,677 up 211					
CAC 40 (MATIF) FF200 per index point					
Jan 96	1977.0	1963.0	1967.0	+ 3.0	
Feb 96	1983.0	1972.0	1974.0	+ 3.0	
Mar 96	1989.0	1978.0	1981.0	+ 3.0	
Jun 96	1963.5	1961.0	1958.0	+ 2.50	
Sep 96	1969.5	1969.5	1968.5	+ 2.50	
Est. volume:13,637. Open int.:63,846					

Commodity Indexes

	Close	Previous
Moody's	1,445.40	1,442.40
Reuters	2,132.00	2,132.70
D.J. Futures	N.A.	148.02
CRB	242.11	241.98

NYSE

Wednesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

THE FAX TALKS BACK

Built-In Digital Phone Answering Machine

FAX·PHONE·TAM·COPIER

Panasonic

PANAFAX UF-S1

Continued on Page 16

Tokyo Bailout Plan Is Likely to Pass, Despite Opposition

Bloomberg Business News

TOKYO — The government's plan to use taxpayer money to help clean up billions of dollars in bad loans held by seven insolvent housing lenders is on track to become law, analysts said Wednesday.

That is no small achievement considering the proposal has faced overwhelming public opposition. Media reports have alleged that politicians and mobsters are linked to the insolvent lenders, and the opposition has been on a campaign to embarrass the new government of Prime Minister Ryutaro Hashimoto.

Still, "investors are becoming less worried about the outcome of the debate," said Tadao Sakabayashi, managing director at Nikko Securities Investment Trust Co.

At issue in the legislative debate that began this week is the government's proposal to use 685 billion ($6.47 billion) from this year's budget to cover the cost of closing the housing-loan companies. Losses suffered by the government in selling collateral for the loans will add 600 billion yen to the taxpayer tab, the Yomiuri newspaper said.

Finance Minister Wataru Kubo said Wednesday that the ministry would complete the plan to dispose of the bad loans this week.

The Japanese public, still struggling through a four-year recession, is not happy about those expenditures.

The uncollectible loans carried by the housing lenders — estimated at 6.27 trillion yen by the Finance Ministry — stand at the center of a crisis that has eroded global confidence in Japan's financial system.

Proponents of the publicly assisted bailout say that confidence would be shaken further if the government were to back down from the plan.

The publicity surrounding the housing lenders this week has not made it easier for the government.

The Sankei and Asahi newspapers reported that at least three members of the Liberal Democratic Party, Japan's most powerful political group, allegedly received donations of 3 million to 13 million yen from housing lenders or from their biggest borrowers.

But analysts said the alleged ties between politicians and the housing lenders were not likely to raise public opposition to a level that would prompt politicians to scrap the plan.

■ S&P Rates Life Insurers

Standard & Poor's Corp. assigned claims-paying ability ratings to six of Japan's Major life insurance companies with a new system that uses only publicly disclosed information.

The six insurers — Nippon Life Insurance Co., Sumitomo Life Insurance Co., Meiji Mutual Life Insurance Co., Dai-Ichi Mutual Life Insurance Co. Asahi Mutual Life Insurance Co. and Chiyoda Mutual Life Insurance Co. — are privately held and have been criticized for lacking in financial transparency.

Under the S&P's so-called ISI scale, Nippon received an AA-ISI rating, Dai-Ichi got an A-ISI, Sumitomo and Asahi were given BBB-ISI, Mitsui was rated BB-ISI and Chiyoda got a B-ISI.

Standard & Poor's also assigned ratings to two other life insurers based on its previous rating scale. The company gave Yasuda Life's claims-paying ability an A-plus, while Meiji Life received an AA-minus.

NKK Turns Itself Around

Japan Steelmaker Sets Cost-Cutting Example

Bloomberg Business News

TOKYO — Eighteen months ago, NKK Corp.'s top managers stared out from the steelmaker's annual report with arms folded and jackets off, ready for battle amid what the company called "the worst business conditions" in years.

The annual report due out later this year should give those same gentlemen a reason to celebrate. After leading the industry in debt and red ink, NKK is poised to post its first full-year profit in three years this March.

"Results have improved remarkably," said the company's president, Shunkichi Miyoshi.

In an industry once seen as dying in Japan, NKK has taken some major steps to turn itself around: It reined in what was the biggest debt among the top five steelmakers. It is slashing jobs and selling land it no longer needs. The company is also shutting unprofitable plants, a painful task that competitors have not faced up to so far.

NKK expects to post a 30 billion yen ($283.4 million) current, or pretax, profit in the year through March on sales of 1.2 trillion yen.

Source: Bloomberg IHT

The comeback proves that Japan's mature steel industry has the will to fight new competitors that have cropped up all over Southeast Asia. NKK's newfound success challenges the conventional wisdom that Big Steel is a dying industry in high-cost Japan.

"What we are talking about is a very dynamic and resilient set of companies, and they have now weathered another storm," said James Abegglen, a management consultant in Tokyo.

The staying power of the steel industry keeps jobs in Japan, an important fact for a corporate culture that depends heavily on the survival of a strong manufacturing base at home. It is also a sign that Japan's companies are managing to adjust to foreign competition by making production even more efficient.

For the rest of the world, NKK's turnaround illustrates the determination corporate Japan can muster to remain competitive.

Two years ago, it was not clear that NKK was going to survive. For every dollar the company owed in the short term, it had only 90 cents of ready assets to pay it off. NTT's mills were losing money. In the year ended March 1994, operating profit plunged 88 percent, and NTT posted a loss of 24 billion yen.

By the middle of 1994, the company was losing more money than any of Japan's struggling steelmakers, including Nippon Steel, which is more than twice its size.

NKK was slow to tighten its belt and begin cutting jobs. But once it woke up, the company broke new ground by shutting mills.

It closed a mill for seamless pipes for the oil and gas industry and it is moving a drill-pipe mill to China. A tinplate mill will close by March.

Analysts say the rest of the industry will have to follow NKK's lead. Steelmakers will inevitably have to focus on fewer products, and the longer they wait to cut back the more expensive it will be.

NKK "has shown a willingness to pull out of areas where they've been bleeding," said Edward Brogan, an analyst at Jardine Fleming Securities Ltd.

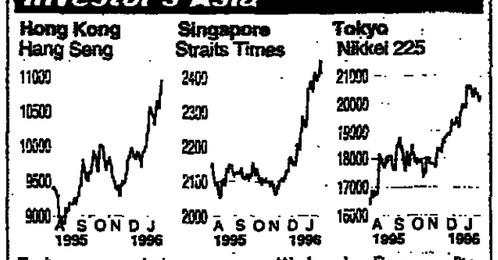
The company's restructuring plans include cost cuts of 200 billion yen in steelmaking over two years, streamlining production lines and shifting work to its main steel works in Western Japan. NKK will pare 5,800 jobs by March 1997. By doing so, it hopes to save the jobs of the 17,000 remaining workers.

It is also selling land. NKK will sell as much as 1.6 million square meters (395 acres) of prime real estate at its Keihin Works south of Tokyo. The profits will then be used to pare debt.

■ POSCO Sees Sharp Drop in '96 Profit

Pohang Iron & Steel Co., South Korea's biggest steelmaker, said a downturn in the global industry would cause profit to drop 17 percent, to 690 billion won ($876.2 million) in 1996, from 830 billion won in 1995, Knight-Ridder reported from Seoul. Sales are expected to remain stable at about 8.2 trillion won.

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,960.20	10,957.20	+0.03
Singapore	Straits Times	2,410.25	2,433.00	-0.94
Sydney	All Ordinaries	2,235.70	2,246.60	-0.49
Tokyo	Nikkei 225	20,312.74	20,080.92	+1.15
Kuala Lumpur	Composite	1,060.50	1,071.48	-1.02
Bangkok	SET	1,378.30	1,388.87	-0.76
Seoul	Composite Index	866.55	850.83	+1.73
Taipei	Stock Market Index	5,013.72	5,008.25	+0.11
Manila	PSE	2,876.34	2,873.68	+0.09
Jakarta	Composite Index	569.96	574.30	-0.76
Wellington	NZSE-40	2,044.71	2,064.68	-0.97
Bombay	Sensitive Index	2,837.57	2,896.70	-2.04

Source: Telekurs International Herald Tribune

Very briefly:

• **Westpac Banking Corp.**, three years after reporting Australia's largest-ever loss, posted a 34 percent increase in profit, to $1.6 billion Australian dollars ($1.17 billion), for the year to Sept. 30; the company said its current-year first-quarter profit would improve, and that it would seek acquisitions and focus on customer services in Australia and New Zealand.

• **China Great Wall Industry Corp.**, is to launch 22 communications satellites for **Motorola Inc.** over the next seven years from a site in Taiyuan, central China.

• **China** is to choose a foreign partner for its $2 billion dollar venture with South Korea to design, build and market a 100-seat commercial aircraft by April.

• **China** is to team with Malaysia's **Berjaya Group Bhd.** and **La Francaise des Jeux**, to start a scratch-card lottery firm next month; the $7 million venture, **Zhongcai Printing Co.**, is to print up to 1 billion cards for China Welfare Lottery in 1996.

• **Enron Development Corp.**'s chief executive, Rebecca Mark, said the company hoped to resume work on the Dabhol power plant in India on April 1.

• **Nippon Telegraph & Telephone Corp.** said tax reform should accompany relaxed regulations on holding companies.

Names, names, names...

• *Merrill Lynch & Co has dismissed two senior Asia-Pacific* economists, Sanjoy Chowdhury and Geoffrey Lewis; the two were let go as part of the 250 "selective staff reductions" Merrill said it would make around the world.

• **Hitachi Ltd.** has appointed David Hancock as president and chief executive of Hitachi PC Corp. (USA) to oversee its entry into the U.S. personal-computer market.

• **Hongkong & Shanghai Banking Corp.** has appointed its head of treasury and capital markets, Stuart Gulliver, as Treasurer responsible for the entire Asia-Pacific region.

AFP, AFX, Bloomberg, Reuters

PAL Faces Competition as Manila Lets Rival Airline Fly

Compiled by Our Staff From Dispatches

MANILA — The Philippine government has given approval for a second airline company to start international operations here, ending the monopoly of Philippine Airlines, the transportation secretary said Wednesday.

Jesus Garcia said President Fidel V. Ramos has allowed Grand Air Philippines Inc. to become the country's second international airline, although Philippine Airlines would remain as the national flag carrier.

Grand Air, incorporated in 1994 and owned by a group of business executives formerly connected with PAL, has started domestic operations last year with two planes servicing Manila and the cities of Cebu and Davao.

A company executive said it had aquired two aircraft for the Manila-Bangkok and Manila-Hong Kong routes starting next month.

Mr. Garcia said airlines lobbying to become international carriers would be required to serve marginally profitable and remote areas. The department plans a public hearing in two weeks to assess feedback. The government has outlined incentives such as tax breaks to encourage airlines to fly these routes.

Two other local airlines — Air Philippines Inc. and Cebu Pacific Air — are expected to enter the domestic market. Star Asia Airways, another local airline, has been providing services from Manila to the central island of Boracay since it was given license last year.

(AFP, Knight-Ridder)

■ Chrysler Jeeps Go to the Philippines

Chrysler Corp. and Philmotors Corp. will invest up to $130 million for a plant to assemble Jeep Cherokees and Dodge minivans, its Philippine partner said, Bloomberg Business News reported.

Carlito Castrillo, president of Philmotors, said construction of the plant, to be opened in 1998, will begin this year. Philmotors is the Philippine distributor of Chrysler vehicles.

Britain Queries China on Media Edicts

Reuters

BEIJING — Britain demanded Wednesday that China explain edicts that allow the Xinhua news agency to regulate foreign news vendors and move to restrict information available on the Internet computer network.

Trade Minister Anthony Nelson said he had asked his Chinese counterpart about the edict, which has raised fears that Beijing was backsliding on liberalization and market reforms.

"Yes, the issue was raised," Mr. Nelson said after meeting here with Foreign Trade Minister Wu Yi. "I did express some concern and sought reassurances and clarifications."

Mr. Nelson declined to describe how Miss Wu reacted. "All I can say at this point is my concerns were fully taken on board," he said.

The State Council, or cabinet, on Jan. 16 ordered foreign vendors of economic information to submit to regulation and possible censorship by Xinhua.

The move followed a joint cabinet and party decree that warned that the Internet threatened to expose China to pornography and other "harmful materials" if not well managed.

A cabinet session adopted unspecified draft rules governing links to global computer networks in what was seen as a bid to clamp down on pornographic and political content on the Internet.

The cabinet reiterated its provisional approval of global computer links but declared it "imperative" to formulate rules governing them, Xinhua said.

The official news agency said that council officials were still revising the Internet bill and added that it would announce media control specifics soon.

The Foreign Ministry, in what has been Beijing's only public comment on the economic information regulations, denied that they marked a return to the information controls of Mao Zedong.

Media analysts have said the measure appeared chiefly to be a bid by cash-short Xinhua to bolster its revenue by demanding a cut from foreign vendors in subscription fees paid by banks, brokerage houses and other customers.

■ Europe Tells China to File Suit

China should take its complaints about European Union discrimination and protectionism in trade to the European Court of Justice, the European Commission said Wednesday, Reuters reported from Brussels.

Beijing trade officials have argued that anti-dumping measures imposed by China's major trading partners discriminate against its exports.

"If that's China's view, they have every right to take us to the European Court of Justice," a commission spokesman said.

The EU, the United States and others have raised so-called anti-dumping duties against Chinese goods to counter allegedly unfair trading practices, such as predatory pricing in new markets.

2 Chinese Carmakers Forced to Cut Prices

Bloomberg Business News

SHANGHAI — Two of the largest Chinese automakers, Shanghai Volkswagen Co. and First Automobile, cut prices for their most popular car models Wednesday, citing intense competition and lagging demand.

Shanghai Volkswagen, a joint venture with Volkswagen AG of Germany, cut the price of its Santana sedans by 9 percent. First Automobile followed suit, reducing the price of its new Red Flag sedan by 5.5 percent.

Business Times reported Wednesday that the government had estimated 1996 demand at 380,000 cars, but the newspaper said the eight passenger carmakers in China were planning to produce 545,000 units. Total production capacity in China is 800,000 cars per year, the report said.

China produced 350,000 cars last year, and it has said annual output will be at least 1.2 million by 2000.

"It's just overcapacity," said Ann Shih of W.I. Carr in Hong Kong. "A lot of new factories are being completed this year."

A Santana will cost 200,000 yuan ($24,117) following the cut, while the Red Flag, a smaller version of the limousine used by generations of Chinese leaders, will cost 238,000 yuan.

ACER: *Employees Get to Share*

Continued from Page 11

companies already listed.

In 1976, Acer began with five co-founders, and on Jan. 1, 1979, after the first profitable year, five other managers were invited to purchase 2 percent stakes.

"Then," Mr. Shih said, "every year we invite more and more people to become shareholders. So, in the first 7 years, 100 percent of the company is owned by the employees." Outsiders were invited to buy stakes in 1984, but when Acer went public in 1988, 3,000 employees owned 70 percent of the shares.

Mr. Shih does not believe in stock options, and he makes his employees pay for the shares they buy. "This is the combination of Japanese and American. In Japan it is long-term, everybody works for the company," he said, but there is too little "individual incentive." In America, "it's the other end, just only individual, not for the company."

Why do results fluctuate at U.S. companies? "Because stock options are used to motivate, but when company is no good, everyone quits." In Acer's case, however, employees have paid to own a piece of the action. When times are tough, employees "have to work more hard to help the company, to help themselves."

Mr. Shih said his employees are especially motivated to keep overhead low, an important consideration at a company that is planning to put an assembly line in Paris, its 35th, this year. His compensation model also keeps a lid on wages. While revenue per employee grew to $381,000 in 1994 from $174,000 in 1990, average salaries stayed relatively flat.

As a marketing approach, Mr. Shih's plans seem likely to work, especially in expanding Acer's European presence, said Jeff Meers, president of IDG Marketing Services/Europe in London. "My official position is that we think Acer will be very successful."

Mr. Meers said he expected Acer to concentrate on the home market at first, rather than the competitive business sector, as a way to build its brand image.

Acer's financial model "rings with common sense," he said. "You'll certainly get motivated employees."

■ Sales Soar at U.S. Unit

The U.S. arm of Acer Inc. said Wednesday its fourth-quarter revenue rose 75 percent, to $507 million, on strong sales of personal computers, Bloomberg Business News reported from San Jose, California.

For the year, revenue rose 68 percent to $1.44 billion from $858 million.

Acer America Corp. also said it restructured its operations into three operations to concentrate on consumer, business and custom manufacturing accounts.

CURRENCY AND CAPITAL MARKET SERVICES

Rosenthal Collins Fox Asset Mgmt Group
Your International Link For Managed Futures
- Member of All Principal US Futures Exchanges
- 24 Hour Trading and CTA Desk
- Institutional Clearing and Execution Expertise
- Specialists in Managed Futures Pools/Accounts

For Additional Information: Call 001-1312-341-7819
For a Free Copy of *Managed Futures International*
Fax (US) 001-1312-341-7599
A Division of Rosenthal Collins Group, L.P. - Chicago, Illinois

REHDER & PARTNER AG
YOUR SWISS BROKERAGE HOUSE FOR 1996
FUTURES, OPTIONS AND FOREX
ON VOLUMES GREATER THAN 350 LOTS R/T US$ 16.00 ROUNDTURN
ON VOLUMES GREATER THAN 1 000 LOTS R/T US$ 14.00 ROUNDTURN
INCLUDING ALL FEES
CALL 0041 42 41 15 42 OR FAX 0041 42 42 16 46
SENNWEIDSTRASSE 43, 6312 STEINHAUSEN-ZUG

International Recruitment in the Financial Services Sector.
Visit our office in Cyberspace –
http://www.oconnell.co.uk/
Tel: 44 171 938 4779
Fax: 44 171 938 2815
mail@oconnell.co.uk
O'Connell associates

For further details on how to place your listing contact:
WILL NICHOLSON in London
Tel: (44) 171 836 48 02
Fax: (44) 171 240 2254
Herald Tribune

surge trading
SURGE TRADING S.A.
FOREX & FUTURES BROKERS
NET WORTH CHF3.000.000
24 HOUR DESK
21-23 Rue du Clos, CH-1211 GENEVA 6
Tel.: (41) 22-700 2051 Fax: (41) 22-700 2061
SEE US ON CNN-TEXT PAGE 695

FOREX CAPITAL MANAGEMENT
"THE GLOBAL CURRENCY EXPERTS"
OFFERING THE FINEST IN CURRENCY ORDER EXECUTION, RESEARCH AND MANAGEMENT.
TO RECEIVE OUR COMPLIMENTARY SERVICES GUIDE AND LATEST RESEARCH REPORTS
CALL TOLL-FREE TODAY.

Switzerland	1557233	U.K.	0800966432	Germany	0130829666
France	05902146	Netherlands	06022657	Belgium	080015888
Denmark	80014132	Ireland	1800559294	Greece	00800119213015
Italy	1678775918	Sweden	0247931558	S. Africa	0800996337
Japan	0031174689	Singapore	8001202501	Hong Kong	8007209
Australia	1800125944	N. Zealand	0800441888	Cyprus	08896865
Israel	1771593783	Mexico	95800786178	Colombia	980153787
Korea	0078148002653	Thailand	0018001204620059		

U.S.A. Toll-Voice Line +714-376-8028 U.S.A. Toll-Fax Line +714-376-8025
AROUND THE WORLD — AROUND THE CLOCK
FOREX CAPITAL MANAGEMENT
EXCELLENCE IN CONFIDENTIAL TRADING SERVICES
ACCOUNT MINIMUMS $25,000 TO $5,000,000. (U.S.D.)

MORE IS LESS.
MORE NEWS, VIEWS AND FEATURES FROM AROUND THE WORLD DAILY.
LESS TO PAY. SAVE UP TO 50% WHEN YOU SUBSCRIBE NOW.

25-1-96
Yes, I would like to start receiving the International Herald Tribune.
The subscription term I prefer is:
☐ 12 months (plus 2 free months)
☐ 3 months (plus 2 free weeks)
☐ My check is enclosed (payable to the IHT)
☐ Please charge my:
☐ American Express ☐ Diners Club ☐ VISA
☐ Access ☐ MasterCard ☐ Eurocard
Credit card charges will be made in French Francs at current rates.
Card No:
Exp. Date:
Signature:
For business orders, please indicate your VAT No:
(IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name:
First Name:
Job Title:
Mailing Address:
City:
Code:
Country:
Home Tel No:
Business Tel No:
I do not wish to receive relevant details from other companies ☐
Mail or fax to: International Herald Tribune
181, avenue Charles de Gaulle, 92521 Neuilly Cedex, France.
Fax: (+33 1) 41 43 92 10
OR CALL (+33 1) 41 43 93 61
In Asia, call: (+852) 29 22 11 88,
In the USA, call toll-free: 1-800-882-2884
E-Mail No: subs@ihtparis.attmail.com
Offer valid for new subscribers only.
via the Herald Tribune
THE WORLD'S DAILY NEWSPAPER

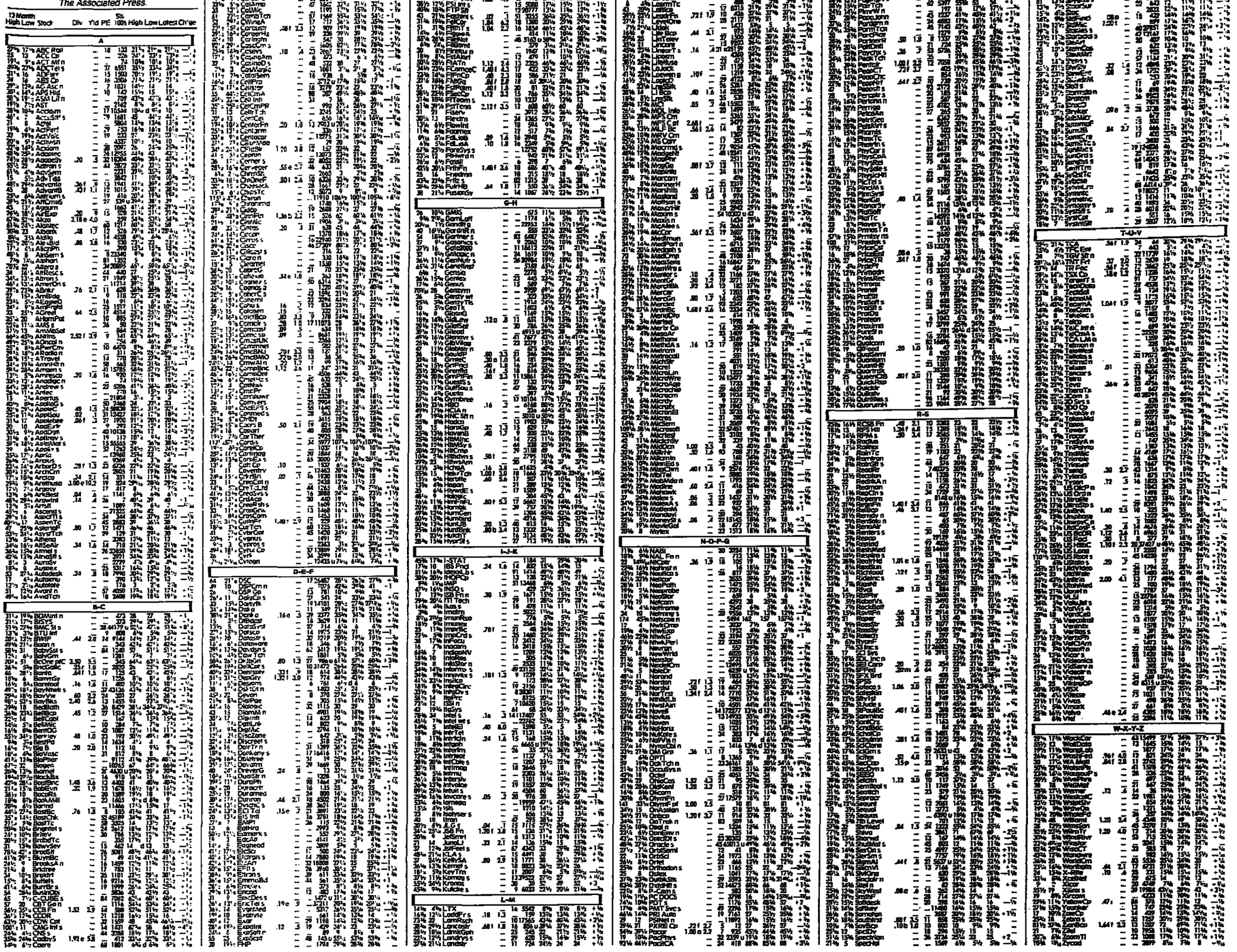
COUNTRY/CURRENCY		12 months +2 months FREE	% SAVINGS for 1 year	3 months +2 weeks FREE
AUSTRIA	A. SCH.	6,000	43	1,800
BELGIUM	B. FR	14,000	41	4,200
DENMARK	D. KR.	3,400	38	1,050
FINLAND	F.M.	2,400	46	700
FRANCE	F. F.	1,950	43	590
GERMANY*	D. M.	700	38	210
GREAT BRITAIN	£	210	36	65
GREECE	DR.	90,000	22	27,000
IRELAND	£ IRL	230	32	68
ITALY	LIRE	510,000	60	155,000
LUXEMBOURG	L. FR.	14,000	41	4,200
NETHERLANDS	FL	790	42	240
NORWAY	N. KR.	3,500	48	1,050
PORTUGAL	ESC	51,000	39	15,500
SPAIN	PTAS	55,000	33	16,500
SWEDEN	S. KR.	3,500	43	1,000
SWITZERLAND	S. FR	610	48	185
REST OF EUROPE ex CEI	$ US	485		145
CEI	$ US	750		225
UNITED STATES	$ US	360	34	115

* For information concerning hand delivery in major German cities call toll free IHT Germany at: 0130-84 85 85 or fax (069) 175 413. Under German regulations, a 2-week free period is granted for all new orders.
MR. 4

NASDAQ

Wednesday's 4 p.m.

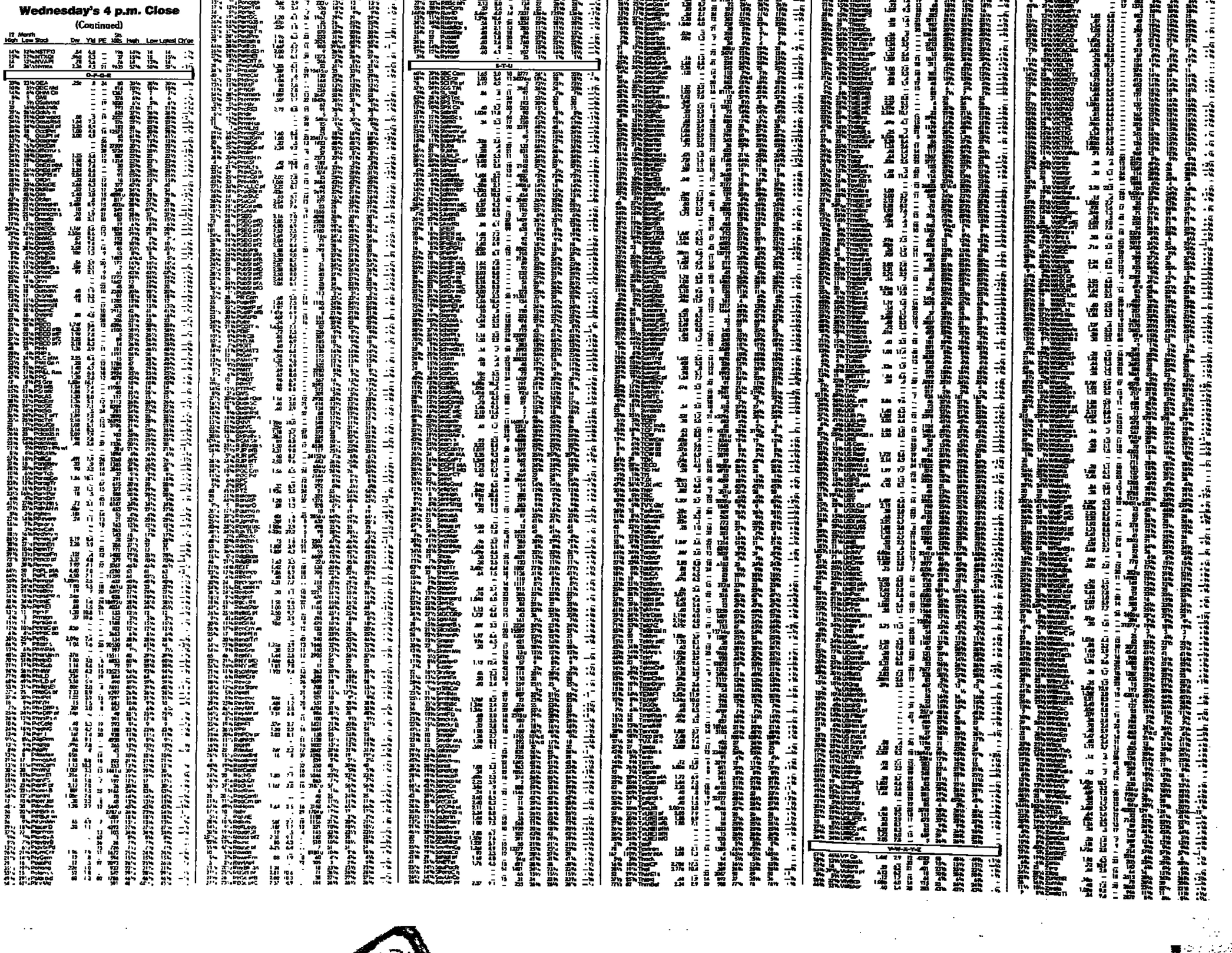
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.



NYSE

Wednesday's 4 p.m. Close

(Continued)



Advertisement

INTERNATIONAL FUNDS

January 24, 1996

For information on how to list your fund, fax Katy Houri at (33-1) 41 43 92 12.

AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; C$ - Canadian Dollars; DM - Deutsche Marks; Dkk - Danish Kroner; Do - US Dollars; ECU - European Currency Unit; FF - French Francs; FM - Finnish Mark; FL - Dutch Florins; Lit. - Italian lire; LF - Luxembourg Francs; p-pesos; Ptas - Pesetas; SGS - Singapore Dollars; SF - Swiss Francs; Sek - Swedish Kroner; Y - Yen;

a - asked • - Offer Prices; N.A. - Not Available; N.C. - Not Consummated; o- New; S - suspended; SIS - stock Split; * - Ex-Dividend; ** - Ex-Rist; - @ Offer Price incl. 2% prelim. charge; * - Paris exchange; ++ -Amsterdam exchange; e - misquoted earlier; x-not registered with regulatory authority. F: Middle of bid and offered price. E: estimated price; y: price calculated 2 days prior to publication; z: bid price.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (y) - regularly; (t) - twice weekly; (m) - monthly.

TO OUR READERS IN BERLIN

You can now receive the IHT hand delivered to your home or office every morning on the day of publication. Just call us toll free at 0130 84 85 85

The data ("the Data") in the list above ("the list") is the raw supplied by the fund groups ("the Fund Groups") listed therein. The data is delivered by each Fund Group to Micropal SA (Tel Paris 33-1-40-29-09-09), collated and reformatted into the List and then transmitted by Micropal to IHT. Micropal and IHT do not warrant the quality or accuracy of the List, the Data of the performance of fides of the Fund Groups and will not be liable for the List, the Data of Fund Groups to any extent. The List is not and shall not be deemed to be an offer by IHT or Micropal to sell securities or investments of any kind. Investments can fall as well as rise. Past performance does not guarantee future success. It is advisable to seek advice from a qualified Independent adviser before investing.

WORLD ROUNDUP

Walter Dhladhla/AFP

Hany Ramzy of Egypt controls the ball. Egypt beat the host, 1-0.

Egypt's Surprise

SOCCER Egypt surprised host South Africa, 1-0, to gain a place in the final eight of the African Nations' Cup. Ahmed El Kass scored the game's only goal in the seventh minute. Meanwhile Cameroon, a traditional power in African soccer, fought back from 3-1 down against Angola to tie, 3-3, with two goals in the last eight minutes but was still eliminated. South Africa won Group C on goal difference from Egypt with Cameroon third.

Muhsin Ertugal, the coach, and several players quit on the eve of Zaire's game Thursday against Liberia because Assea Mindre, Zaire's minister of sports, and Mvumbi Puati, the soccer federation chairman, demanded that they select the team. *(Reuters)*

Shakeup in Ottawa

ICE HOCKEY The Ottawa Senators completed a three-team blockbuster trade and then dismissed Dave Allison. It was the second time the league's worst franchise has fired its coach this season. The club has also changed general managers this season. Allison replaced Rick Bowness on Nov. 21 but managed just a 2-22-1 record.

Seven players moved in the trade, including Kirk Muller, who went from the Islanders to the Maple Leafs and the defenseman Bryan Berard, the overall No. 1 pick in last summer's draft, who went from Ottawa to the Islanders.

• In Tuesday's two NHL games, Johan Garpenlov became the first Panther to score a hat trick as Florida scored four power-play goals to beat the Washington Capitals, 5-4. The New Jersey Devils continued their revival with a 3-1 victory over the Los Angeles Kings. *(AP)*

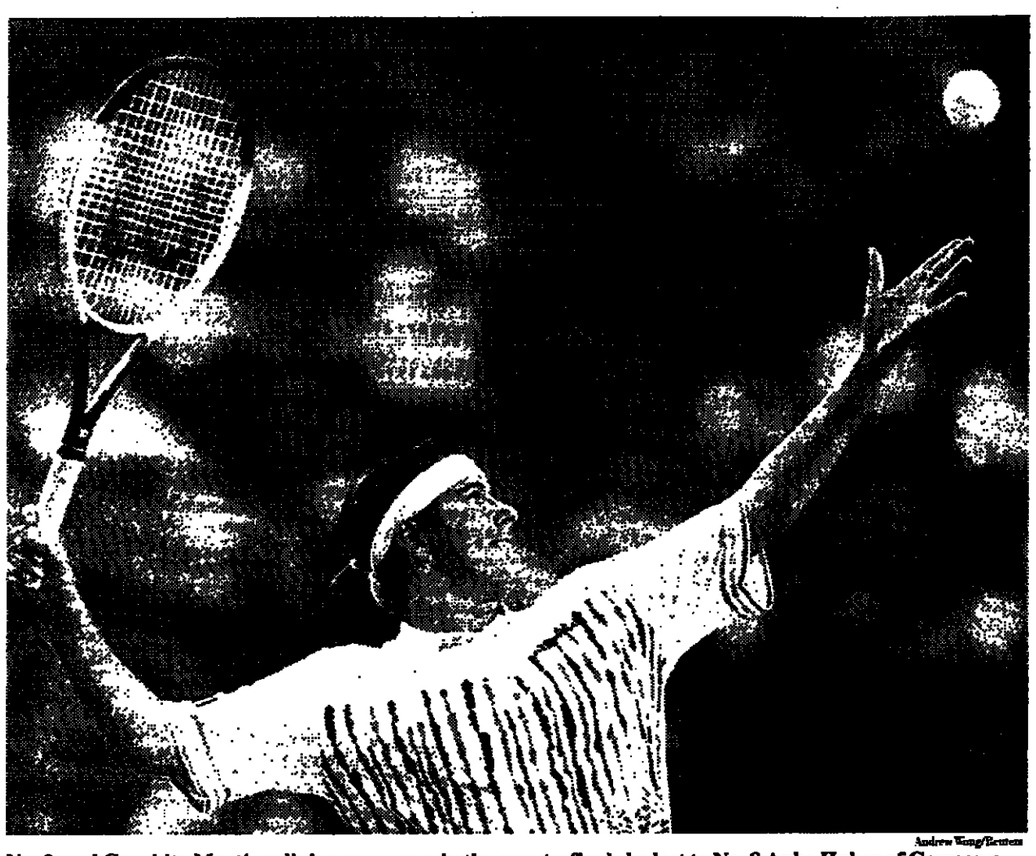
Zimbabwe Accepts Draw

CRICKET In Auckland, New Zealand, Zimbabwe did not try to score the 367 it needed to win and instead settled for a draw in the second test with New Zealand, finishing the final day at 246 for four. *(Reuters)*

Camby Back on Bench

BASKETBALL Marcus Camby, the Massachusetts center who passed out before a game on Jan. 14, was back in uniform but stayed on the bench as the Minutemen, ranked No. 1 in the United States, defeated Pittsburgh, 79-71, in overtime. *(AP)*

When the Going Gets Tough, Agassi Hangs In



Andrew Wong/Reuters

No. 2 seed Conchita Martinez lining up a serve in the quarterfinal she lost to No. 8 Anke Huber of Germany.

By Christopher Clarey
Special to the Herald Tribune

MELBOURNE — Since Andre Agassi burst onto the scene with peroxide in his hair and fire in his forehand, he has been called many things: showman, sneaker salesman, underachiever and, ultimately, champion.

Until now, "escape artist" had not made the list.

But the player who has changed appearance nearly as often as others change television channels has transformed himself once more at this Australian Open. Already one of the most dangerous front-runners in men's tennis, he has proved himself capable of staring down big deficits and finding a way to win in five sets.

Agassi did it in the first round; he did it again in the fourth round. But he outdid himself Wednesday in the quarterfinals, rallying from two sets down for the first time in his career to defeat a fellow American, Jim Courier, 6-7 (7-9), 2-6, 6-3, 6-4, 6-2.

The victory put Agassi back in the semifinals of the tournament he won rather easily last year. It also guaranteed that he will regain the No. 1 ranking next week that he relinquished to Pete Sampras in November. If Agassi had lost to Courier, Thomas Muster would have become No. 1.

"Andre's playing through adversity, and sometimes that hasn't been his best trait," said Agassi's coach, Brad Gilbert. "But I think he's proving that at this stage of his career, it's starting to all come together physically, mentally and emotionally. Now he needs to win six more sets, and he won't be satisfied unless he does."

The second-seeded Agassi will have to win three of those sets against No. 5 seed Michael Chang, the determined American whose path has been as well-paved and tranquil as Agassi's has been boulder-strewn and turbulent. Chang, for whom Agassi has not always had kind words of late, has yet to drop a set in Melbourne and because of the vagaries of scheduling, he will have had one more day than Agassi to rest before Friday's match.

The other semifinal Friday will match the No. 4 seed, Boris Becker of Germany, against the surprise of the tournament, the unseeded Australian, Mark Woodforde.

Becker served and played brilliantly to defeat the No. 6 seed, Yevgeni Kafelnikov of Russia, 6-4, 7-6 (11-9), 6-1. Woodforde continued his emotional run with a 6-4, 6-4, 6-4 victory over the No. 7 seed, Thomas Enqvist of Sweden, falling flat on his back in disbelief after serving out the match.

AUSTRALIAN OPEN

Steve Holland/AP

Down two sets, Andre Agassi stormed back, beating Jim Courier.

While the 21-year-old Enqvist, with his powerful baseline game, represents the future of tennis, the versatile left-handed Woodforde has proved to Australia that he still has a present. At 30, he is the oldest men's semifinalist in a Grand Slam since John McEnroe reached the 1992 Wimbledon semifinals at age 33.

"There's such a myth in tennis that once you've reached 25, if you haven't reached the top 10, you're nothing," the 63d-ranked Woodforde said this week. "I guess in a way I'm out there to play for the over-27s or over-28s."

But after easily handling two talented youngsters — Mark Philippoussis and Enqvist — unaccustomed to Grand Slam pressure, Woodforde will be the one lacking experience in the next round. Becker, whose last Grand Slam title came in this tournament in 1991, will be a heavy favorite to reach the final.

He served 28 aces against Kafelnikov and won a remarkable 44 of 47 points when he put his first serve in play. The match turned in the second-set tiebreaker when Kafelnikov squandered a 5-1 lead.

Agassi and Courier began playing late Tuesday night, but after rain chased them from the court, play was suspended with Courier leading 5-4 and Agassi serving at 15-15. When the match resumed, Courier came out slugging and played like he did when he won this event in 1992 and 1993, slamming aces and returning better than Agassi, who had lost to Courier six straight times.

But after being broken in the opening game of the third set, Agassi lifted his game and began to read Courier's serve correctly and find his range. Courier would never recover.

Rubin Will Face Injured Seles in Semis

Special to the Herald Tribune

MELBOURNE — Chanda Rubin will face Monica Seles in the first women's semifinal of the Australian Open on Thursday, knowing that the three-time champion is hurt. Seles, already nursing a strained hip, said she injured a tendon in her lower right leg when lunging for a forehand midway through the second set of her quarterfinal victory over Iva Majoli of Croatia.

"I don't think Seles is 100 percent, and Chanda knows that," said Rubin's coach Marcel Freeman.

Rubin is now the only teenager left in the women's draw. Martina Hingis, the 15-year-old from Switzerland, lost, 7-5, 4-6, 6-1, Wednesday to the No. 16 seed, Amanda Coetzer, theSouth African baseliner.

Hingis, the youngest quarterfinalist in Australian Open history, was in a radically different mood than in her light-hearted upset of Brenda Schultz-McCarthy on Monday.

In that victory, she served underhanded and smiled in the face of aces. On Wednesday, she dropped or threw her racket at least 10 times and was given a warning for racket abuse in the second set.

Though she played well in stretches, winning five straight games in the opening set, she ultimately was too inconsistent for Coetzer, whose best previous Grand Slam performance was reaching the quarterfinals at the 1994 U.S. Open.

"When she gets physically stronger, I think Martina will be a real force in women's tennis," said Coetzer, a 24-year-old from Hoopstad who was spinning her small wheels two years ago before changing coaches, switching rackets and altering her technique to generate more power.

"It's a crucial time for me," she said. "A while ago, I felt that I really wasn't going anywhere, really falling behind."

— CHRISTOPHER CLAREY

A Day at the Circus, or Media Madness

Vantage Point **MICHAEL WILBON**

Washington Post Service

TEMPE, Arizona — Don't get me wrong. I know we're here for a football game and eventually we'll get to the Xs and Os, I promise. Just not today.

Every Tuesday of Super Bowl Week is Media Day, super fun day, make-it-up-as-you-go, talk-to-8,000-reporters-or-get-fined day. It's a day for styling and profiling, for players nobody has ever heard of to tell their life stories to desperate reporters who can't get close enough to hear Aikman or Emmitt.

It's a day for Deion to say, "I don't need no more pub, man. I'm household." A day for Hollywood Henderson to say, "Terry Bradshaw couldn't spell cat if you spotted him the C and the A." A day for a reporter to ask Dexter Manley, "If you were a tree, what kind of tree would you be?"

Given the lopsided, noncompetitive nature of the outcome of the actual games, it's quite possible Media Day is the most important day of the week. In that spirit, we bring you the Pittsburgh Steelers and Dallas Cowboys.

Where better to start than with the Cowboys' Nate Newton, who described the difference between the two teams this way:

"All I hear from the Steelers is, 'The Cowboys don't have their minds on the game,' but every club I went to last night some Steelers were there. I was at 411 last night until 1 A.M. Greg Lloyd was there, too. The Steelers are going to have fun and not talk about it; we're going to have fun and talk about it. For all the Steelers saying, 'Yeah, the Cowboys are doing all the talking,' the words you're looking for are, 'No comment.' Anything more than that is talking. I'm telling you right now I'm going to have some fun. Yeah, I got a limo, and it's costing me $1,000 a night (the fine for not coming to practice on the team bus). Why not? Clinton's got a limo. If the Steelers had limos it'd be, 'Poor steel mill guys out having some fun.' But because Mr. Jerry Jones signed his deals and took on the NFL, and because we got guys always selling stuff and on TV, we're the bad guys. No problem. I'm hereby designating the Dallas Cowboys the official Bad Guys of Super Bowl XXX. Whatever it takes to keep the cameras rolling and the ink flowing. I'll outtalk all these guys, so the media will always be with me and I will have the last word."

In the interest of equal time, we interrupt our visit with Newt to bring you the other side of Media Day: a nobody.

If you've heard of the Steelers offensive lineman James Parrish, then call me a liar. People in Dundalk, Maryland — where Parrish is from — don't count. I don't know what drew me to Parrish first, the fact that he was speaking Spanish rather fluently with a reporter from Spain, or that he was wearing a ring from the Cowboys' victory in Super Bowl XXVIII. He can play guard, tackle or center, and has played professional football in three countries (Spain, Great Britain and the United States).

Media Day was made for Parrish. A year ago today, "I was unemployed, depleting my savings," he said. "Let's see, I started with the Dolphins, went to the Chargers, then the 49ers, with a stint with the World League somewhere in there, then to the Colts, then back to the 49ers, the Cowboys, the Eagles, back to the Cowboys, and I won a Super Bowl ring somewhere in there.

" How do I feel about Media Day? Oh, it's a burden, it hurts me financially. I had some multimillion-dollar deals set up for today and now I can't get to 'em. Huh? I love this. From unemployment to the Super Bowl."

There was only one thing Parrish requested: that he could ask questions, too. And film the responses on his handicam.

Parrish has enough perspective to know that Sunday's game could be his last with the Steelers.

"I'm the guy you can pick up for no money who can also play a lot of positions," he said. "I'm just glad to have a job. The one good thing is that creditors can't find me, and I know people at the best moving companies. My advice to guys like me: Don't unpack. The day I unpack is always the day I get cut."

A company called Half-Breed Films is doing a documentary about the Super Bowl called "Ten Days of Madness," and the filmmakers went out Monday night with Parrish. He blocks by day, talks with reporters into the wee, wee hours, has absolutely no idea whether his next job will be in football or TV, which probably makes him the perfect symbol for the most bizarre day of Super Bowl week.

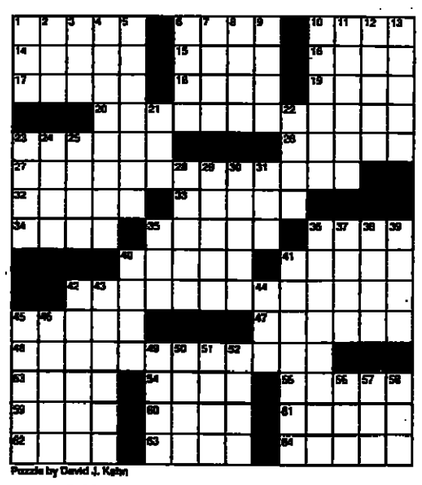
CROSSWORD

ACROSS

1 Drive
6 Four Tops leader — Stubbs
10 Breakfast cereal
14 City near Utah Lake
15 Leave
16 First name in country
17 Muslim group
18 "Anything —"
19 Southwest California town
20 Curtain call that never ends?
23 Philip Sidney's "Astrophel and —"
26 Teases maliciously
27 Object to a squelching remark?
32 Revival shouts
33 Whence the phoenix rose
34 Foxx of "Sanford and Son"
35 Admit
36 Sound frustrated
40 Lend —
41 Actress Picon
42 Tenement?
45 Proust hero
47 Conceptualize
48 Pilot's joke to passengers?
53 Parts
54 Not straight
55 Answer to "Who did this?"
59 Island necklaces
60 Ground —
61 Minolta rival
62 Old slave
63 Onetime Hagman co-star
64 Zuñi home

DOWN

1 Speed letters
2 Man-mouse link
3 1937 play "High —"
4 Make too great an advance
5 City founder of legend
6 Kind of blocks
7 Nebraska Senator James
8 Perspective
9 "— wrap!"
10 Evening news anchor
11 Answer, legally
12 Toward the stern
13 Artless ones
21 Softness provider
22 80's mergers, for short
23 Pentagram
24 Break, in a way
25 Made (out)
28 Ancient: Prefix
29 Soc. Security Act, e.g.
30 Prickly item
31 Water droplets
35 "— the Angels Sing" (1939 hit)
36 Motor coil
37 Actress Chase
38 Oversupply
39 Publicity
40 — regni (in the year of the reign)
41 "Truth or Dare" subject
42 Collect, as bucks
43 Disquiet
44 Repartee
45 Used
46 Merchandise
49 Disconcert
50 Escaped
51 Read attentively, with "over"
52 It follows once
56 Fight result
57 Criminal set
58 Chemical ending



Puzzle by David J. Kahn

© New York Times/Edited by Will Shortz

Solution to Puzzle of Jan. 24

P	I	T	A		S	O	B	I	G		A	F	A	R
I	R	A	N		O	U	I	D	A		U	L	N	A
P	O	C	A	H	O	N	T	A	S		S	Y	N	E
E	N	T	R	A	N	C	E		P	A	T	I	O	S
			C	R	E	E		S	E	T	I	N		
S	A	C	H	E	R		S	T	R	A	N	G	L	E
E	N	R	Y		S	A	K	E	S		S	C	U	D
A	G	A				M	I	L				R	I	G
L	I	Z	A		C	E	D	E	S		R	O	S	E
S	O	Y	B	E	A	N	S		C	R	E	W	E	D
		H	O	R	U	S		I	R	I	S			
A	M	O	R	A	L		I	N	A	C	T	I	V	E
B	A	R	T		K	I	N	G	P	H	I	L	I	P
E	L	S	E		E	C	O	L	E		V	E	N	I
D	E	E	D		D	U	N	E	S		E	X	E	C

Jotting Pad

CLARIDGE
CHAMPS ELYSEES
high class residence hotel
Tel. Paris (1) 44 13 33 33

SCOREBOARD

TENNIS

AUSTRALIAN OPEN

MEN'S SINGLES, QUARTERFINALS
Andre Agassi (2), U.S., def. Jim Courier (3), U.S., 6-7 (9-7), 2-6, 6-3, 6-4, 6-2; Boris Becker (4), Germany, def. Yevgeny Kafelnikov (6), Russia, 6-4, 7-6 (11-9), 6-1; Mark Woodforde, Australia, def. Thomas Enqvist (7), Sweden, 6-4, 6-4, 6-4.

WOMEN'S SINGLES, QUARTERFINALS
Amanda Coetzer (16), South Africa, def. Martina Hingis, Switzerland, 7-5, 4-6, 6-1; Anke Huber (8), Germany, def. Conchita Martinez (2), Spain, 4-6, 6-2, 6-1.

MIXED DOUBLES, QUARTERFINAL
Mark Knowles, Bahamas, and Lisa Raymond (4), U.S., def. Michael Tebbutt, Australia, and Julie Halard-Decugis, France, 7-6 (7-5), 6-2.

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	30	10	.750	—
New York	24	15	.615	5½
Washington	19	20	.487	10½
Miami	18	21	.462	11½
New Jersey	16	23	.410	13½
Boston	15	24	.385	14½
Philadelphia	7	31	.184	22

CENTRAL DIVISION

Chicago	35	3	.921	—
Indiana	25	14	.641	10½
Atlanta	23	17	.575	13
Cleveland	21	18	.538	14½
Detroit	19	18	.514	15½
Charlotte	18	20	.474	17
Milwaukee	15	23	.395	20
Toronto	12	28	.300	24

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
San Antonio	26	12	.684	—
Houston	27	14	.659	½
Utah	25	13	.658	1
Denver	16	23	.410	10½
Dallas	13	25	.342	13
Minnesota	11	27	.289	15
Vancouver	9	30	.231	17½

PACIFIC DIVISION

Seattle	27	11	.711	—
Sacramento	22	15	.595	4½
L.A. Lakers	21	18	.538	6½
Portland	20	20	.500	8
Golden State	17	22	.436	10½
Phoenix	15	22	.405	11½
L.A. Clippers	15	24	.385	12½

TUESDAY'S RESULTS

New Jersey	24	24	19	12— 79
Toronto	28	16	26	16— 86

N.J.: Gillam 5-15 4-4 14; Bradley 8-12 4-4 20. T: Miller 5-9 3-4 13; Murray 5-13 2-2 16. Rebounds— New Jersey 53 (Gillam 10), Toronto 47 (Mossenburg 8). Assists— New Jersey 16 (Brown 5), Toronto 25 (Stoudamire 11).

Philadelphia	28	19	28	23— 98
Orlando	24	24	27	30—105

P: Ruffin 8-18 3-4 23; Maxwell 7-14 3-3 19. O: Scott 7-14 0-0 19; O'Neal 9-13 2-6 20. Rebounds—Philadelphia 54 (Thompson 18), Orlando 51 (O'Neal 10). Assists— Philadelphia 17 (Ruffin 7), Orlando 28 (Hardaway, Shaw 8).

Atlanta	23	12	24	25— 84
Cleveland	21	23	17	11— 72

A: Smith 9-16 1-1 20; Blaylock 7-13 5-5 23. C: Ferry 7-14 2-2 17; Brandon 7-22 3-3 17. Rebounds— Atlanta 41 (Long 10), Cleveland 51 (Cage 16). Assists— Atlanta 21 (Blaylock 10), Cleveland 22 (Brandon 11).

Phoenix	26	21	26	29—102
Indiana	21	33	31	22—107

P: Barkley 8-18 3-4 20; K.Johnson 4-8 9-10 17. I: D.Davis 6-14 4-5 16; Miller 12-16 10-12 40, Rebounds— Phoenix 44 (Barkley 15), Indiana (D.Davis 11). Assists— Phoenix 20 (K.Johnson, Perry, Corr 5), Indiana 22 (Jackson 9).

Chicago	28	20	28	23— 99
New York	20	19	17	23— 79

C: Pippen 7-16 5-6 19; Jordan 13-23 4-5 33. N.Y.: Starks 6-9 2-2 15; Davis 4-7 2-4 11. Rebounds— Chicago 51 (Rodman 13), New York 43 (Ewing 9). Assists— Chicago 23 (Pippen 6), New York 21 (Ewing 5).

Portland	24	8	23	17— 72
Utah	22	30	13	31— 96

P: McKie 4-10 1-5 13; Strickland 6-14 6-6 18. U: Malone 11-20 7-10 29; Hornacek 10-18 0-0 23. Rebounds— Portland 48 (Dudley 16), Utah 50 (Malone 11). Assists— Portland 15 (Strickland 8), Utah 29 (Stockton 14).

Dallas	35	26	21	29—111
Sacramento	27	23	25	34—109

D: Jackson 12-20 3-5 30; Kidd 8-19 12-16 29. S: Grant 11-22 2-4 24; Richmond 10-21 13-15 36. Rebounds— Dallas 49 (Meyer, Kidd 10), Sacramento 53 (Grant 16). Assists— Dallas 23 (Kidd 10), Sacramento 22 (Edney 7).

Top 25 College Results

How the top 25 teams in The Associated Press' college basketball poll fared Tuesday: 1, Massachusetts (17-0) beat Pittsburgh 79-71, OT. Next: vs. St. Bonaventure, Saturday; 4, Connecticut (17-1) beat Central Connecticut State 116-46; Next: at Pittsburgh, Thursday; 16, Michigan (14-5) lost to Indiana 99-83. Next: at No. 22 Iowa, Sunday; 22, Texas Tech (15-1) beat Southern Methodist 72-60. Next: vs. Texas, Sunday.

Major College Scores

TUESDAY'S RESULTS

Arkansas 71, Alabama 63
LSU 86, Nicholls St. 69
Miami 72, Notre Dame 64
Temple 68, La Salle 48
West Virginia 86, Rutgers 71

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
N.Y. Rangers	29	11	8	66	178	131
Florida	29	12	5	63	164	121
Philadelphia	24	12	10	58	159	115
Washington	21	19	5	47	127	117
Tampa Bay	20	18	7	47	135	151
New Jersey	20	22	4	44	119	116
N.Y. Islanders	12	24	8	32	128	165

NORTHEAST DIVISION

Pittsburgh	29	14	3	61	225	155
Montreal	21	19	6	48	140	144
Boston	19	18	6	44	155	159
Buffalo	18	23	3	39	129	145
Hartford	17	23	5	39	118	138
Ottawa	8	35	1	17	100	180

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	32	9	3	67	164	95
Chicago	24	15	9	57	163	133
Toronto	22	17	7	51	145	135
Winnipeg	20	22	4	44	164	168
St. Louis	18	19	8	44	119	124
Dallas	12	23	10	34	122	159

PACIFIC DIVISION

Colorado	25	14	8	58	183	133
Vancouver	16	18	11	43	167	157
Los Angeles	16	21	11	43	160	161
Calgary	16	22	9	41	138	150
Edmonton	17	23	6	40	126	177
Anaheim	16	26	5	37	132	160
San Jose	10	32	4	24	141	211

TUESDAY'S RESULTS

Los Angeles	0	0	1—1
New Jersey	1	1	1—3

First Period: N.J.-MacLean 15 (Thomas) :57. Second Period: N.J.-Rolston 2 (MacLean) (sh). Third Period: L.A.-Lacroix 11, 4. N.J., Richer 9 (Rolston, Daneyko). Shots on goal: L.A.- 7-11-5—23. N.J.- 12-7-7—31. Goalies: L.A.-Hrudey. N.J.-Brodeur.

Florida	1	2	2—5
Washington	0	2	2—4

First Period: F-Garpenlov 11 (Murphy, Woolley) (pp). Second Period: F-Mellanby 24 (Svehla) (pp). 3, W-Johansson 3 (Cote, Peake) (pp). 4, W-, Peake 9,. 5. F-Garpenlov 12 (Murphy, Woolley) (pp). Third Period: F-Murphy 7 (Harkins, Niedermayer) (pp). 7, W-Hunter 5 (Peake, Johansson) (pp). 8, W-Bondra 27 (Pivonka, Gonchar). 9, F-Garpenlov 13 (Holl, Niedermayer). Shots on goal: F- 10-10-7—27. W- 13-10-12—35. Goalies: F-Fitzpatrick. W-Carey.

Olympic Qualifying

IN BARCELONA
Malaysia 2, Canada 1
India 2, Belarus 0
Spain 2, Britain 2

SOCCER

ENGLISH F.A. CUP
THIRD ROUND REPLAY
Oldham 2, Barnsley 1

SCOTTISH PREMIER DIVISION
Falkirk 0, Motherwell 1
Kilmarnock 1, Aberdeen 1
Raith 0, Partick 2
Airdrie 0, Greenock Morton 2
Dumbarton 1, Dundee 2
St. Johnstone 3, Clydebank 1

AFRICAN NATIONS CUP
FIRST ROUND
South Africa 0, Egypt 1
Cameroon 3, Angola 3

INTERNATIONAL FRIENDLY
Greece 2, Israel 1

CRICKET

SECOND TEST
NEW ZEALAND VS. ZIMBABWE, 5TH DAY
WEDNESDAY, IN AUCKLAND
New Zealand 1st Innings: 251
Zimbabwe 1st Innings: 226-9
New Zealand 2nd Innings: 441-5 dec.
Zimbabwe 2nd Innings: 246-4
Result: Match drawn. Two-test series drawn 0-0.

TRANSITIONS

BASEBALL
NATIONAL LEAGUE
MONTREAL—Signed Mel Rojas, pitcher; DaRond Stovall, outfielder; and Ryan McGuire, infielder, to 1-year contracts.
NEW YORK—Acquired Bernard Gilkey, outfielder, from St. Louis for Eric Ludwick and Erik Hiljus, pitchers, and Yudith Ozorio, outfielder.

SPORTS

Heavyweight Title in the Hands of a Lab Assistant

International Herald Tribune

Vantage Point / **IAN THOMSEN**

The heavyweight championship of the world will be decided this week by a vial of urine.

This is not a novel concept. The Academy Awards are revealed by the opening of an envelope; so it shouldn't be a leap that the most lucrative prize in world sports is decided by unscrewing the cap from a thin bottle in a Los Angeles laboratory ... as the crowd comes to life ... and in this corner, wearing the white gown: the laboratory assistant ... there's the bell ... he comes out — oh! — and immediately lands a drop of urine just under the microscope ... the urine shows no signs of moving ... this is going to be a quick one ... eight ... nine ... 10 ...

And many thousands of miles away in Germany, the arm of Axel Schulz will probably be raised as the new ... heavyweight ... champion ... of the world!

His ascendancy will send boxing historians to their books. They won't find anyone to match the record of this 26-year-old from the former East Germany. If the International Boxing Federation title is awarded to Schulz, based on the drug test in Los Angeles, the result to be announced Thursday, then he will become the first heavyweight champion to be crowned after losing his last two fights.

Last April in Las Vegas, Schulz took on the International Boxing Federation champion, George Foreman. Schulz lost. It was a magnificent loss.

"After he lost, people said, 'We saw you in the ring smiling'," says Schulz's manager, Wilfred Sauerland. "I was smiling because that was the most I expected he would make of the fight with an American referee and three American judges. He made it a very good fight."

Foreman was stripped of the title for refusing a rematch against Schulz in Germany. The loss shot Schulz up in the rankings to No. 2 contender, and in December in Stuttgart he met the No. 1 contender, Frans Botha of South Africa.

"We watched many of Botha's fights on video," Sauerland says. "Our strategy was to let him punch as much as possible to wear him out, because you could see he had been lacking in stamina in the seventh, eighth and ninth rounds. The strategy was working through the 10th round — but then, suddenly, in the 11th and 12th rounds, Botha got strong again. We were very surprised by his sudden stamina."

Schulz lost the decision. The German crowd yelled fix, throwing champagne bottles and advertising signs into the ring. Six people were injured. Seven, if you include Axel.

He thought he was another one-loss wonder until Botha's urine sample, taken after the fight, was found to contain the performance-enhancing steroid Nandrolon, according to the Association of Professional German Boxers.

Botha didn't trust the Germans to be objective, and he demanded that the "B" sample be tested in a Los Angeles laboratory endorsed by the International Olympic Committee.

Schulz (21 wins, 3 defeats, one draw) is a trained television mechanic who likes to drive 200 mph on the autobahn. At 6 feet 3 inches (1.9 meters) and 220 pounds (90 kilograms), he moves better than he punches.

He is exceptionally likable. He lives in the lakeside town of Bad Saarow near the Polish border, the former home of Max Schmeling, the last world heavyweight champion from Germany. Schmeling is 92. The country has been broken in two and put back together again since his fights with Joe Louis. Schulz and Henry Moske, the IBF light heavyweight champion, another former East German, have become unifying heroes.

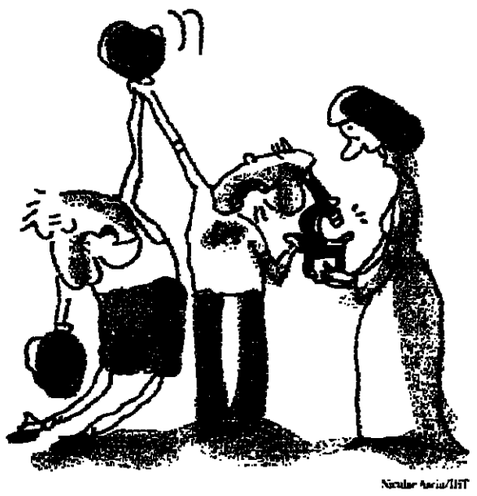
"When Axel came back from the Foreman fight, it was like he had won," Sauerland says. "He was a bit like Frank Bruno in England. They both have lost world-title challenges. With every loss they became a bit bigger."

"He was very upset with himself after the Botha fight, but the pressure from outside was very, very big," the manager says. "He didn't go in to win the title; he went in to not disappoint the fans."

The world champions are Bruce Seldon (WBA), Bruno (WBC) and Botha (IBF). In another time they'd have been sparring partners for Jersey Joe Walcott. Riddick Bowe, certainly the best of them, also holds some sort of title or other (WBO).

If Botha's test tube loses the decision in Los Angeles, the title might be given to Schulz outright, or Schulz might be asked to fight Botha, Michael Moorer or Oliver McCall for it. Whoever Schulz fights will probably beat him, leap out of the ring in celebration and be run down by a bus.

The idea is that Mike Tyson is going to come sweeping through like Jack Johnson's ghost and unify the titles. If it comes to that, Schulz will be favored to lose big. He must be rubbing his hands at the thought: He'll have Tyson right where he wants him.



Nicolas Asfouri/IHT

America's (Basketball) Team

Conquering Bulls Silence Even Fans at the Garden

By Thomas Boswell
Washington Post Service

NEW YORK — When you walk up from Pennsylvania Station, you can't miss the huge letters announcing one of the most famous venues in sport: Madison Square Garden. However, it's easy to overlook the dozens of names, etched in letters a couple of inches tall, that are interwoven into that big Garden sign.

A century of entertainment stars are all there, from Jack Dempsey, Bill Tilden and Buffalo Bill Cody to P. T. Barnum, Clair Bee and Strangler Lewis. Because this is, above all, America's House of Basketball, the hoops names, such as Elgin Baylor and Willis Reed, dominate the list and resonate most deeply.

Soon, it may be necessary to add an entire team to this marquee of fame. Make way for Michael Jordan, Scottie Pippen and Dennis Rodman. The Chicago Bulls are 35-3, winners of 24 of their past 25 games, and halfway to becoming the first NBA team to win 70 games. They're a piece of walking history.

This is where you come to see The Real Thing — from lion taming to rock 'n' roll. If you think you're special, this is also where you want to strut your stuff. As Jordan said after the Bulls' 99-79 victory over the Knicks on Tuesday night:

"There's a lot of history here. Sure, it's the most important building to me (outside of Chicago). I've always loved to play before this crowd."

Whether you're the Rolling Stones or Joe Louis, you've got to prove yourself to the Garden cognoscenti. They're a tough crowd. They arrive in their seats prepared to hate you. Maybe they don't know Bach from Braque, but they know who's supposed to give weak-side rebounding help. And God help you if you don't. On the other hand, if you're good — no, if you're the best — then they roll over and fall in love with you.

New York and its Knicks fans came as close as you'll ever see to worshiping the visiting team Tuesday night. They buzzed before the opening tip. They gasped at Jordan's swoops to the basket for 33 points. They grudgingly cheered that crybaby turned superstar named Pippen as he glided everywhere, doing everything. They covered their eyes as Luc Longley outscored and outrebounded Patrick Ewing. And they even paid Rodman — The Worm — their ultimate tribute: silence. A guy played in the Garden, his hair dyed white and adorned with earrings and tattoos, and nobody razzed him.

"I can't remember the last time we blew out the Knicks here," Jordan said. "They're not the same team they were two years ago. Not the same intensity or confidence."

Oh, the Bulls were in prime form. In less than five minutes, Ron Harper had decked Patrick Ewing with a full-speed, cross-body block as both leaped for a long pass; that almost led to a brawl.

From the start, the Bulls beat the Knicks as if they were a bunch of kid brothers at the local playground. After a 14-0 run early in the second half, the Bulls built their lead to 26 points.

You know a team is flirting with greatness when its coach, in this case Phil Jackson, says: "We didn't play as well as the score indicates. ... I told them that, at times, it was not the right way to play basketball."

The Bulls are, at the moment, playing for both the scoreboard and some unseen, aesthetic scoreboard in their own heads. Ideal Basketball, not just victory, is the goal. "We do play with a lot of poise and confidence," Jackson said. "That freedom has helped us, so far, although I'm concerned about overconfidence. ... I've told them that we will have injuries and attrition as the year goes along.

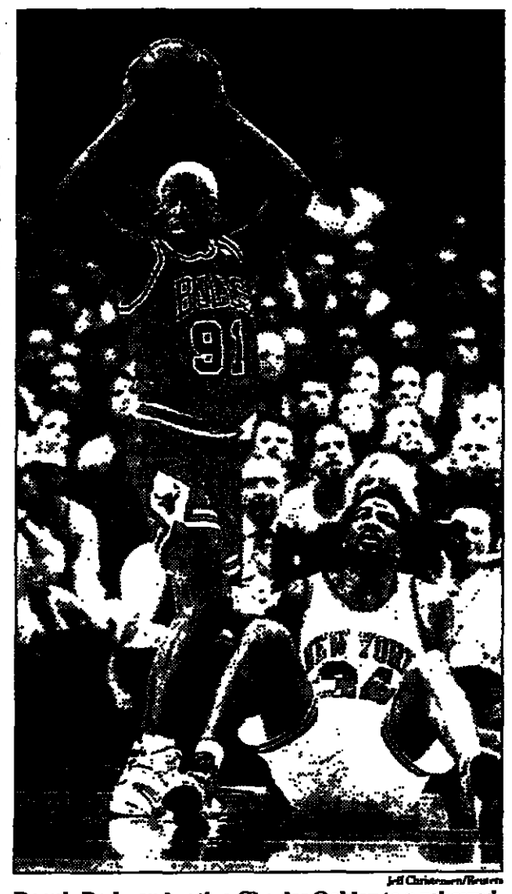
"I played on a Knicks team that won 18 games in a row in '69-70, yet we flattened out after that and played .500 the rest of the year," Jackson added. "That happens to teams."

Nonetheless, this 35th victory was symbolic. Especially in the Garden. Especially against a Knicks team that lost to the expansion Grizzlies on Sunday and may now be in the process of disintegration. The Bulls can go into a "slump" and still top the 69-13 mark of the 1971-72 Los Angeles Lakers. Those guys only had Baylor, Wilt Chamberlain, Jerry West, Gail Goodrich (26 points a game), Jim McMillian (19 points), Happy Hairston (1,000 rebounds), and a guy named Pat Riley coming off the bench.

The Bulls are bored with this constant debate about whe-ther they are, or will soon become, the greatest team in NBA history. That we-ain't-proved-nothin'-yet attitude is one key reason why they may soon prove to be that good.

Still, statistics have their uses, especially for midseason motivation.

"It would be great to put your name in history," said Jordan. "But I don't want to settle for that. I'd rather not win 70, and win the championship. But, if it adds up to 70 at the end of the season, then that's great."



Jeff Christensen/Reuters

Dennis Rodman beating Charles Oakley to a rebound.

Perhaps the Bulls find it easier than others to keep their deeds in perspective because they remember that, last January, they were barely a mediocre team.

• In the night's other games, the Orlando Magic stayed unbeaten in 21 home games with a 105-90 victory over the Philadelphia 76ers. The Utah Jazz outscored the Trail Blazers 30-8, in the second quarter and went on to win, 96-72, and hold the visiting Trail Blazers to the lowest point total in team history. The Dallas Mavericks won 111-109 in Sacramento as Jason Kidd made two free throws to break a 109-109 tie with 29 seconds left.

Reggie Miller scored a season-high 40 points as the Pacers routed the Suns, 117-102, in Indianapolis. The Hawks won their ninth consecutive game, beating the Cavaliers 84-72. The Toronto Raptors forced 27 turnovers in an 86-79 victory over the visiting New Jersey Nets. *(AP)*

A Cockroach in an Evening Gown

By Norman Chad
Washington Post Service

The other night at the National Hockey League All-Star Game, Fox television introduced a new puck. You may recall that the former puck was so tiny that — on a 19-inch TV screen — it looked like a runaway bread crumb. The current puck looks like a runaway cockroach in an evening gown.

Fox's computer-assisted, glowing dot-on-the-move is an attempt to assist viewers in seeing where the puck is, much as Fox's laugh track on "Married ... With Children" is an attempt to allow viewers to know where the jokes are.

As it turns out — and I mean no disrespect by this — I didn't want to know where the puck was all that badly. It was like going to a Sylvester Stallone film with English subtitles.

Fox takes a regular hockey puck, cuts it in half, inserts electronic transmitters, places sensors around the rink to track the movement of the puck and then, somehow-through high-tech computer wizardry, plus some guy named Hank in the truck — this all translates to a graphically enhanced image that glows around the puck on our TVs at home so we can know where it is at all times.

This new puck streaks across the screen like a meteor across the sky — except it has a bluish tint, and, at times, leaves a red comet tail. Fox hyped it as "the greatest technological innovation in the history of sports."

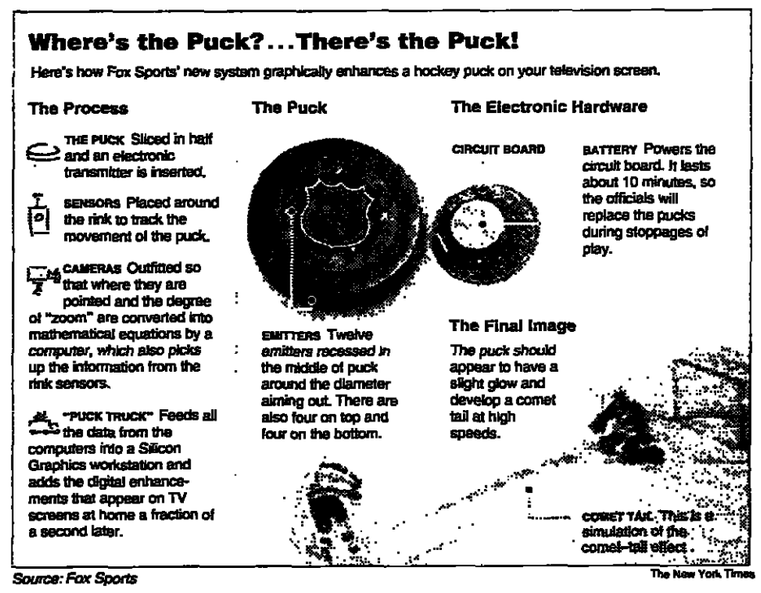
(Interestingly, a year ago Christie Brinkley, the model, suggested on an National Football League broadcast that there should be batteries attached to a football player's helmet so it would light up to allow fans to see when he had the ball. The good folks at Fox and the NHL decided to adapt the supermodel's surprising wisdom for hockey.)

So how do we assess hockey's new high-tech world?

I kept wanting to get up and wipe the blue blur off my screen with a damp cloth.

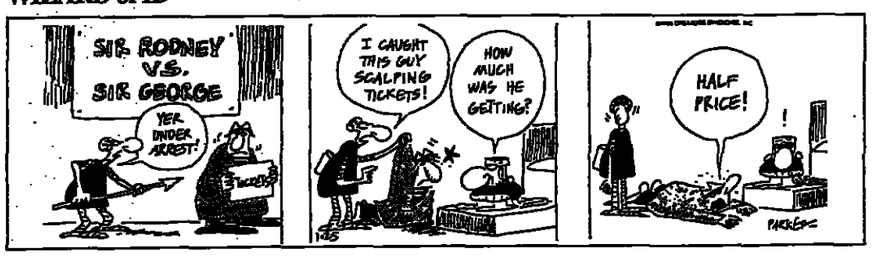
Giving Fox the benefit of the doubt, let's remember that most good ideas are rejected at first. Maybe the Compu Puck eventually will stick, but it does not seem to enhance the game as much as distract from it. In any sport, the ball is just part and parcel of the action; you really don't think about it or dwell on it. By focusing on the puck, it's easy to lose sight of everything else — the crisp skating, the ferocious checking, the artful dentistry. You're just fixated on that blue blur darting here and there, as if it's a video game.

I felt like I was watching a "Road Runner" cartoon.



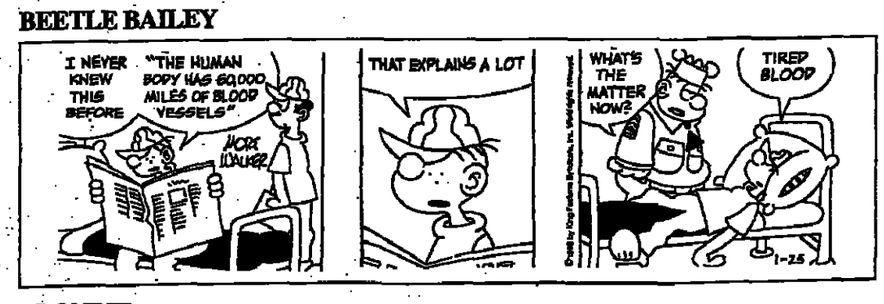
DOONESBURY

WIZARD of ID



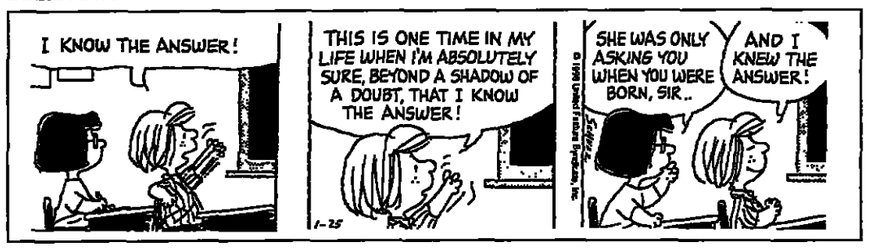
CALVIN AND HOBBES

BEETLE BAILEY



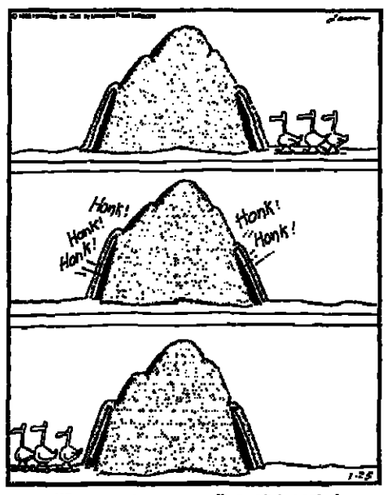
BLONDIE

PEANUTS



GARFIELD

THE FAR SIDE



Whenever geese pass through funnels

JUMBLE® THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

UPDYM

GUNED

IMPAGE

YAVINT

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here : ( )

(Answers tomorrow)

Yesterday's Jumbles: DEITY WALTZ TYRANT HOOKED
Answer: What baking jokes do after a while — WEAR "THIN"

ART BUCHWALD

America as Hostage

WASHINGTON — The decision to hold the country hostage unless they got what they wanted was made by the Congressional Gang that couldn't shoot straight.

Their ransom demands included a balanced budget in seven years. "Unless President Clinton gives in to us, we will bulldoze every government agency in Washington," said Lucky Devonshire. "It's time for fiscal conservatives to play hardball."

Buchwald

When people realized that they weren't kidding, negotiations with the hostage-takers began in earnest.

□

"What would it take for you to release the government?" Sam Dumpster asked.

"We fully intend to wreck every program established since the Roosevelt days and ensure that welfare, Medicare and Medicaid are taken out on the Mall and shot."

Sam said, "You're holding 300,000 workers hostages to make a point. Does that bother you?"

"Not as much as you might think. The hostages are bureaucrats and are familiar with pain and suffering."

"Do you think that this will have any effect on the outcome of the elections?"

"I doubt it. The American people are used to holding hostages as long as it's no one in their immediate family. We're not going to kill them or anything like that."

□

"Isn't there some way of balancing the budget without using such drastic methods?"

"Probably, but using reason is not our style. We promised the voters back home that we would get a deal even if it meant closing everything down, including the army, navy and Coast Guard. This time the anti-government people are going to the mattresses."

"Isn't it a crime to hold so many people hostage with no pay?"

"We're members of Congress, and we can do anything we like. We warned the president that if he didn't play ball we would take prisoners."

"If I worked for a government agency, I wouldn't like to be taken captive by a bunch of freshmen legislators without any experience. It's very undignified even if they are sucking up to me with a tax cut."

"We won't detain our prisoners forever. As a matter of fact we are thinking of shipping the hostages to the 50 states so they become a local problem."

"But they didn't do anything wrong. Why are you taking it out on them?"

"Who else can we take it out on? Everybody understands that we had to burn down the capital to save it."

Art Expert Indicted In Vatican Case

The Associated Press

COLUMBUS, Ohio — An art history expert has been charged with smuggling into the United States three 14th-century manuscript pages that had been stolen from a Vatican library.

Anthony Melnikas, a former professor at Ohio State University, faces up to 10 years in prison if convicted.

When the Past, Present and Future of Jazz Met

By Mike Zwerin
International Herald Tribune

PARIS — The lead of the full-page article in the Feb. 2, 1953, issue of Time magazine went: "The hot music topic in Los Angeles last week was the cool jazz of a gaunt, hungry-looking young (25) fellow named Gerry Mulligan . . ." The accompanying photo of the baritone saxophone player with the bristling crew cut and the jaw jutting defiantly behind the crook of his horn was captioned: "From Bach and tailgate, polyphony."

The fact that such courtly, swinging, rootsy, contrapuntal music being played in a modest temple to honest music called the Haig — described as "a beachcomber's shack on a used-car lot" — could become a Time magazine feature was hot news indeed.

The quartet put together by Gerald Joseph Mulligan, who died on Sunday at the age of 68, featured Chet Baker, trumpet, Bob Whitlock, bass, and Chico Hamilton, drums; and it illustrated what he meant when he said: "Jazz is an art of many emotions; ours is to relax and build from a comfortable position."

The comfort was only skin deep. It was stretched over an exciting, revolutionary premise — four horizontal lines with no cluttering chords. Not only was the imagination of the players stretched, but also, to quote the critic Nat Hentoff, the music "stimulated listeners to hear more sensitively, more sophisticatedly. . . . It was exhilarating to realize how far you, the listener, could stretch you own ears."

The jazz fraternity at the time equated popularity with artistic compromise. But Mulligan's fresh compositions like "Walkin' Shoes" and "Nights at the Turntable," Baker's soulful interpretations of ballads like "My Old Flame," plus the quartet's distinctive ensemble sound and improvisational proficiency reaped popular acceptance and critical praise at the same time.

With Mulligan's Jerry Lewis-like crew cut complimenting Baker's Elvisesque pompadour, the quartet was photogenic as well as communicative. Writing in The Wire, Richard Cook called the group's counterpoint "grave but athletic . . . played by very young men; and their taste for a calmly burning music is one of those persistent sparks that keeps jazz from growing old."

Very different sorts of people, Mulligan and Baker had one of those improbably magic relationships improvising music can produce. Dave Brubeck with Paul Desmond is another example. Although Baker was replaced by the excellent Art Farmer, by Bob Brookmeyer (on valve trombone) and by the comfortable trumpeter Jon Eardley (perhaps closest in spirit to the original), Mulligan was *somehow incomplete without him.* He had many other major credits as composer, arranger, leader, player and showbiz personality. He was a close friend of the actresses Judy Holliday and Sandy Dennis, and he appeared in movies like "I Want to Live," but the collaboration with Baker would remain his definitive frame of reference.

After Serge Chaloff (with Woody Herman) died young, Mulligan became the dominant figure on the baritone saxophone for four decades. His friend Brubeck described his playing: "You feel as if you're listening to the past, present and future of jazz all at one time."

Growing up in the New York borough of Queens, he composed a song titled "You and Me and Love" at the age of 7. When he was 19, he wrote the hit "Disc Jockey Jump" for Gene Krupa. He wrote for and played with the Elliot Lawrence and Claude Thornhill pioneering, dance bands.

Along with Miles Davis, John Lewis and others, he was a "student" in the Gil Evans "school" of music, with "classes" in Evans's basement apartment behind a laundry on West 55th Street. The place was alive with jam sessions and

Christian Rose
Gerry Mulligan was called "one of life's tougher customers."

copyists meeting dawn deadlines. Evans, who wrote "Sketches of Spain" and "Miles Ahead," taught Mulligan how to write flowing lines that sounded as though they were improvised and that hornmen loved to play.

He composed and arranged classics like "Jeru" (his nickname), "Boplicity" and "Godchild" for Davis's groundbreaking nonet later named "Birth of the Cool." Between the nonet and his piano-less quartet, Mulligan was credited with having been a midwife for "West Coast Jazz," a term he detested. After hitchhiking to Los Angeles in 1950, he hooked up with the big band of that prototypal West Coast jazzer Stan Kenton, called Kani Standem on the East Coast. When it turned out that Kenton did not much like Mulligan's work, his stock went up in New York.

In the '70s and '80s, he and his Italian wife Carla split their time between an apartment near La Scala in Milan and suburban Connecticut. He preferred Europe — "In America they sell music as though it were a can of peas." He knew how to live well. One of his peers called *him* a "dilettante," implying too many beautiful summer days with beautiful people in the Italian countryside and not enough time listening and learning. Mulligan hated nightclubs: "I'd probably never have set foot in one if jazz hadn't dragged me in." And festivals: "I've never liked the carnival atmosphere."

As he grew older, he framed his striking, angular face with long white hair and a beard. He wore custom-made Italian suits. He was described as "a stretched, natty leprechaun."

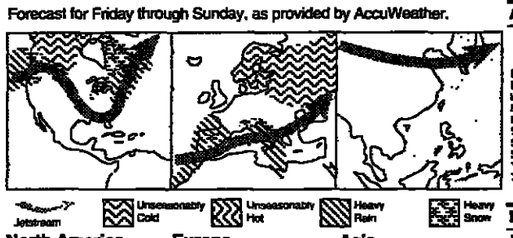
He continued to lead a combo. He directed his acclaimed little-big Concert Jazz Band, he gave master classes, and the chairman of a respected university music department called him "the dean of American jazz composition." In 1992, he revived the nonet as "Re-Birth of the Cool." And he was earning a reputation for being difficult.

In The Wire, Richard Cook described him as "one of life's tougher customers . . . lean and unsmiling and implacable." Mulligan scolded audiences for talking, berated agents for not taking care of business; he fired musicians on flimsy pretexts and screamed at reporters for their "yellow journalism." In January 1994, on the occasion of being elected to the Down Beat magazine Hall of Fame, he explained to the journalist Mitchell Seidel:

"I've got a short fuse. In recent years I discovered I had hypoglycemia. It's like the opposite to diabetes. If you ingest sugar or anything like sugar, the body produces this surge of insulin . . . I finally realized that this caused tremendous mood swings. My blood sugar would be up and down like a yo-yo. It was a wonder I could drag myself round. It's not been easy."

WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.



North America Rain will drench the eastern seaboard early Saturday while snow blankets Toronto and Detroit. Cold, dry weather will follow Sunday and Monday. Wind-driven rain will hit Seattle *and Portland, but dry* weather is expected from San Francisco south. Calgary will remain quite cold.

Europe More rain and mountain snow is on the way for Spain and Portugal. Heavy rain is possible in Italy with lighter rain in parts of France and some snow in the Alps. There will be *snow or ice from Bosnia to* parts of Germany, and snow flurries will dust sections of England.

Asia There will be a bit of snow or rain from Beijing into the Korean Peninsula over the weekend. Dry, weather is likely in Japan with a slow moderating trend. Shanghai will be dry, but Hong *Kong will be cool with per*haps drizzle or showers. Singapore and Manila may have a few showers.

Europe

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algarve	13/55	9/48 r	12/53	7/44 sh
Amsterdam	5/41	2/35 r	4/39	2/35 c
Athens	2/35	-5/22 pc	2/35	-6/22 pc
Athens	12/53	5/41 pc	14/57	8/46 r
Barcelona	12/53	8/46 t	13/55	5/41 c
Belgrade	3/37	2/35 r	6/43	1/34 sh
Berlin	1/34	-9/22 s	0/32	-2/28 pc
Brussels	6/43	2/35 c	4/39	2/35 c
Budapest	0/32	-1/31 sn	2/35	-1/31 sn
Copenhagen	1/34	-3/27 pc	1/34	-2/29 s
Costa Del Sol	13/55	8/46 c	14/57	8/46 c
Dublin	7/44	4/39 r	7/44	2/35 r
Edinburgh	7/44	4/39 pc	7/44	3/37 c
Florence	8/48	7/44 r	11/52	4/39 pc
Frankfurt	1/34	-5/22 s	1/34	-3/29 s
Geneva	7/44	2/35 pc	7/44	1/34 r
Helsinki	-2/29	-7/20 pc	-1/31	-7/20 s
Istanbul	6/43	3/37 r	10/50	5/41 c
Las Palmas	20/68	14/57 c	21/70	15/59 c
Lisbon	11/52	8/46 r	12/53	7/44 c
London	8/46	4/39 pc	7/44	3/37 c
Madrid	6/43	2/35 r	7/44	-1/31 c
Milan	4/39	3/37 r	5/41	1/34 t
Moscow	-7/20	-12/11 pc	-7/20	-12/11 pc
Munich	3/37	0/32 r	4/39	-1/31 sn
Nice	13/55	8/46 r	12/53	6/43 t
Oslo	-3/27	-9/16 c	-4/25	-7/20 c
Mallorca	11/52	9/48 t	12/53	6/43 c
Paris	8/48	3/37 s	8/46	2/35 r
Prague	-1/31	-4/25 c	-1/31	-9/27 sn
Reykjavik	2/35	-1/31 l	3/35	-2/29 sn
Rome	12/53	7/44 r	14/57	6/43 pc
St. Petersburg	-6/22	-11/13 pc	-6/22	-11/13 pc
Stockholm	-2/29	-9/22 pc	-1/31	-5/24 s
Strasbourg	5/41	2/35 sh	6/43	0/32 r
Tallinn	-2/29	-7/20 pc	-1/31	-7/20 s
Venice	6/43	4/39 r	8/48	3/37 r
Vienna	-1/31	-2/29 sn	1/34	-1/31 sn
Warsaw	-3/27	-8/18 s	-1/31	-5/24 s
Zurich	4/39	2/35 r	5/41	-1/31 r

Oceania

Auckland	22/71	16/61 c	23/73	16/61 pc
Sydney	27/80	20/68 pc	27/80	19/66 pc

Middle East

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Abu Dhabi	19/66	18/64 r	23/73	13/55 pc
Beirut	16/61	9/48 pc	19/66	13/55 pc
Cairo	17/62	8/46 pc	21/70	13/55 s
Damascus	9/48	3/37 c	18/61	7/44 s
Jerusalem	12/53	7/44 c	14/57	8/46 pc
Luxor	22/71	3/37 s	27/80	11/52 s
Riyadh	16/61	7/44 c	21/70	7/44 s

Africa

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algiers	15/59	11/52 pc	14/57	9/48 t
Cape Town	21/70	14/57 pc	22/71	14/57 pc
Casablanca	12/53	8/46 r	13/55	6/43 c
Harare	19/66	9/48 pc	23/73	6/43 pc
Lagos	29/84	24/75 pc	29/84	24/75 pc
Nairobi	22/71	11/52 pc	23/73	11/52 c
Tunis	16/61	10/50 c	16/61	6/43 r

Asia

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Bangkok	32/89	23/73 pc	33/91	21/70 pc
Beijing	-1/31	-13/9 s	-2/29	-12/11 pc
Hong Kong	19/66	15/59 c	19/66	14/57 pc
Manila	33/89	23/73 c	31/88	23/73 pc
New Delhi	25/77	7/44 s	25/77	9/48 pc
Seoul	-2/29	-13/9 c	0/32	-12/11 s
Shanghai	8/48	2/35 pc	4/39	1/34 r
Singapore	29/84	24/75 pc	29/84	24/75 pc
Taipei	18/66	14/57 c	21/70	13/55 pc
Tokyo	4/39	-3/27 pc	8/46	-1/31 pc

Latin America

Buenos Aires	24/75	18/68 r	31/88	18/64 pc
Caracas	28/82	18/64 pc	29/84	18/64 pc
Lima	23/73	20/68 t	24/75	20/68 pc
Mexico City	23/73	8/46 pc	22/71	7/44 pc
Rio de Janeiro	30/86	23/73 pc	30/86	24/75 pc
Santiago	16/61	4/39 c	22/71	8/48 pc

North America

Anchorage	-7/20	-19/-2 s	-6/22	-13/9 pc
Atlanta	14/57	0/32 r	12/53	5/41 pc
Boston	11/52	2/35 r	3/37	-2/29 s
Chicago	-3/27	-10/15 c	-2/29	-8/18 pc
Denver	7/44	-9/16 pc	-1/31	-11/13 sn
Detroit	-1/31	-8/18 sl	-3/27	-4/25 sl
Honolulu	29/84	21/70 pc	27/80	19/66 pc
Houston	18/64	4/39 pc	20/68	8/46 pc
Los Angeles	16/61	8/46 c	16/61	8/46 pc
Miami	27/80	19/66 pc	27/80	19/66 pc
Minneapolis	-1/31	-17/2 pc	-9/16	-15/6 c
Montreal	3/37	-8/18 sn	-3/27	-14/7 c
Nassau	28/82	19/66 s	27/80	21/70 pc
New York	11/52	-2/29 r	2/35	-4/25 pc
Phoenix	14/57	3/37 pc	17/62	7/44 pc
San Fran.	12/53	7/44 sh	13/55	6/43 r
Seattle	4/39	0/32 sh	3/37	-2/29 sn
Toronto	4/39	-5/24 sn	-5/24	-11/13 pc
Vancouver	4/39	0/32 sh	2/35	-3/27 sn
Washington	13/55	-2/29 r	3/37	-3/27 s

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. ©1996

WEEKEND SKI REPORT

Resort	Depth L	Depth U	Mtns. Pistes	Res. Pistes	Snow State	Last Snow	Comments
Andorra							
Pas de la Casa	80	100	Good	Open	Pwdr	23/1	*fully open, great skiing*
Soldeu	40	125	Good	Open	Pwdr	23/1	*most runs open, fresh snow*
Austria							
Ischgl	20	90	Fair	Open	Hard	31/12	*41 lifts open, still good ski available*
Hintertux	10	185	Good	Closed	Pckd	1/1	*17 lifts open, good glacier skiing*
Kitzbuhel	5	70	Icy	Some	crust	8/1	*52/84 lifts open, best at pass thurn*
Lech	40	80	Fair	Open	Var	1/1	*34 lifts open, upper pistes ski well*
Obergurgl	35	75	Fair	Open	Pckd	8/1	*22 lifts, windblown snow in places*
Saalbach	25	55	Icy	Art	Pckd	8/1	*all open, man-made on home runs*
Schladming	20	40	Fair	Art	Var	8/1	*all lifts open, many pistes still good*
St. Anton	25	120	6m	Art	Var	7/1	*all lifts open, hardpacked snow, ok*
Canada							
Lake Louise	120	175	Good	Open	Var	23/1	*all 12 lifts open, excellent skiing*
Whistler	80	205	Good	Open	Var	23/1	*25/26 lifts and all 200 runs open*
France							
Alpe d'Huez	75	220	Good	Open	Var	24/1	*60/82 lifts open, fresh snow, windy*
Avoriaz	95	120	Good	Open	Var	24/1	*42/49 lifts, mostly good, new snow*
Chamonix	10	180	Fair	Closed	Var	7/1	*39/62 lifts, grands montets best*
Courchevel	50	65	Fair	Open	Pckd	23/1	*62/69 lifts open, good above 1850m*
Les Deux Alpes	30	270	Good	Open	Var	24/1	*32/83 lifts, top lifts on windhold*
Méribel	15	75	Far	worn	Hard	22/1	*59/57 lifts and 64/73 pistes open*
La Plagne	50	135	Far	worn	Var	7/1	*100/112 lifts open, higher pistes ok*
Tignes	75	130	Good	Open	Var	24/1	*40/49 lifts, fresh snow, good skiing*
Val d'Isère	50	135	Good	Open	Var	24/1	*44/51 lifts, fresh snow, strong winds*
Val Thorens	80	120	Good	Open	Var	23/1	*wind hardening snow; snow forecast*
Germany							
Berchtesgaden	20	70	Far	Closed	Var	8/1	*25/31 lifts, best above mistelstein*
Garmisch	0	205	Fair	Closed	Var	8/1	*35/38 lifts, 40cm at midstations*
Italy							
Bormio	35	100	Good	Open	Var	24/1	*15/16 lifts and all 25km open*
Cervinia	110	300	Good	Open	Pwdr	24/1	*20/25 lifts, great skiing, new snow*
Cortina	20	70	Good	Some	Pckd	7/1	*most lifts open, plenty of good ski*
Courmayeur	40	120	Good	Closed	Pckd	23/1	*22/23 lifts open, still mainly good*
Livigno	60	80	Good	Open	Pwdr	24/1	*all 30 lifts open, good ski, new snow*
Norway							
Geilo	50	50	Good	Open	Pckd	17/1	*16/16 lifts open, open pistes ski well*
Spain							
La Molina	35	105	Good	Open	Var	23/1	*all 11 lifts open, generally good*
Switzerland							
Champery	0	80	Fair	Closed	Hard	24/1	*all lifts open, dusting of new snow*
Crans Montana	0	110	worn	Closed	Var	7/1	*33/42 lifts, glacier in good shape*
Davos	20	80	Fair	Open	Pckd	7/1	*48/55 lifts open, best ski on parsenn*
Grindelwald	0	30	Fair	Closed	crusty	7/1	*40/45 lifts open, top pistes ok*
Klosters	15	60	Fair	Open	Var	8/1	*48/55 lifts open, runs still good*
St. Moritz	45	90	Good	Open	Pwdr	24/1	*all 24 lifts open, good ski, new snow*
Verbier	60	100	Icy	worn	Var	23/1	*29/39 lifts, new snow, more forecast*
Wengen	5	30	Fair	Closed	Var	7/1	*18/21 lifts open, high pistes still ok*
Zermatt	10	110	Fair	Art	Var	11/1	*good ski available, windy at altitude*
U.S.							
Breckenridge	165	195	Good	Open	Pwdr	24/1	*16 lifts open, great skiing*
Crested Butte	115	145	Good	Open	Pwdr	23/1	*all lifts open, excellent skiing*
Keystone	170	200	Good	Open	Pwdr	24/1	*15 lifts open, good skiing*
Mammoth	150	180	Good	Open	Pwdr	17/1	*25/31 lifts, good, some headpack*
Park City	190	218	Good	Open	Pwdr	23/1	*all lifts and 88 runs open, great ski*
Telluride	150	160	Good	Open	Pwdr	22/1	*all 10 lifts open, good skiing*
Vail	155	200	Good	Open	Pwdr	24/1	*25 lifts open, excellent skiing*

Key: L,U: Depth in cm on lower and upper slopes. Mtns. Pistes: Mountainside pistes. Res. Pistes: Runs leading to resort village. Art: Artificial snow.

Reports supplied by the Ski Club of Great Britain.

PEOPLE

WAS it George Stephanopoulos, Bill Clinton's senior adviser, or Paul Begala, his former speechwriter, or even Peter Knobler, a political ghostwriter? It's become the biggest guessing game around Washington *these days. Just who is* "Anonymous," the author of a new novel about a barely veiled Bill and Hillary Clinton during the 1992 presidential campaign? The book, "Primary Colors," carries a disclaimer saying, "None of these events ever happened" and then launches into a too-close-for-comfort replay of the campaign in which a Southern governor tries for a presidential nomination while dodging controversies over his anti-Vietnam War stance and whether he violated his marriage vows by "bedding down bimbos." The source pick of the day is Lisa Grunwald, magazine scribe and author of two well-reviewed novels. She's also the sister of Mandy Grunwald, media consultant for the '92 Clinton campaign.

□

The U.S. House, by a 403-2 vote, has commissioned a congressional gold medal to be awarded to the evangelist Billy Graham and his wife, Ruth Graham. The bill, which was sent to the Senate, also authorizes the sale of collectible bronze duplicates of the medal.

□

Kate Atkinson has won the Whitbread Book of the Year award for her first novel, "Behind the Scenes at the Museum," beating out Salman Rushdie, whose "The Moor's Last Sigh" had been favored to win the £21,000 ($31,500) prize. Rushdie's novel, his first since "The Satanic Verses," was awarded the less prestigious Whitbread Novel Prize earlier this month. Atkinson, 45, lives in Edinburgh.

□

Princess Diana caused her sons' nanny to burst into tears at a Christmas party by falsely implying that the woman had traveled abroad for an abortion, the Sun newspaper reported in London. Lawyers for Tiggy Legge-Bourke reportedly have asked the princess to retract the remark she made at a reception for employees of Diana and her estranged husband, Prince Charles. Legge-Bourke acts as companion to the couple's sons, Prince William, 13, and Prince Harry, 11, when they are with Charles. Buckingham Palace and Legge-Bourke's lawyers refused comment. Newspapers have reported that Diana resents Legge-Bourke's closeness to her sons. . . . There seems to be no letup in Diana's staff problems. After the resignation of her private secretary, Patrick Jephson, earlier this week, another secretary, Nicky Cockell, and a chauffeur have resigned. No details were given about why Cockell had resigned but Diana's spokesman said the chauffeur was leaving after more than five years of service because Diana no longer needed a full-time driver.

Dean Sewell/The Associated Press
FAMILY EVENT — Nicole Kidman and Tom Cruise and their two children, Connor and Isabella, arriving in Australia for the wedding of Kidman's sister.

□

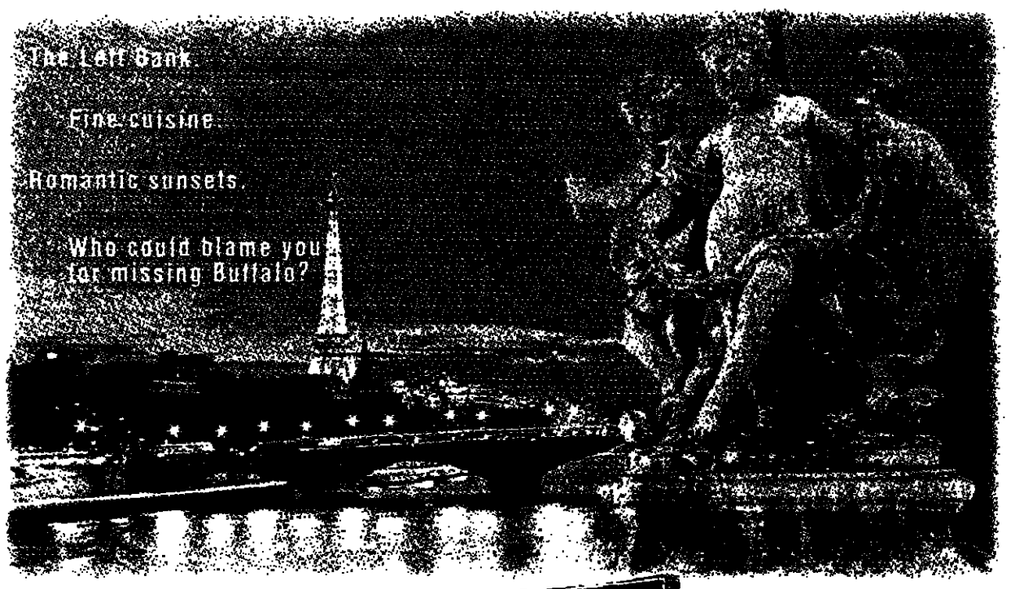
Whitney Houston is *singing the praises of acting.* The Grammy-winning singer has signed a two-year deal with Disney's Touchstone Pictures to make movies and TV shows. Disney studio chief, Joe Roth, says. Houston will produce and possibly star in films and TV shows under the deal.

□

Liz Hurley, the actress, model and girlfriend of Hugh Grant, whose fling with a Los Angeles prostitute last year earned him a fine and huge publicity, will star as Delilah in a film of the biblical tale. Turner Network Television, which is making the movie, said Nicholas Roeg will direct it.

□

Liverpool's Jacaranda club, where the Beatles made their debut, will reopen on Thursday after renovation work that lasted several years. Pete Best, who was the Beatles' percussionist before being replaced by Ringo Starr, will play at the first concert in the redecorated Jacaranda, where frescoes painted in the cellar by John Lennon have been restored to their former pristine glory.



With AT&T you can place calls to the U.S. (and over 205 countries) quickly and easily. Just take your calling card, dial the AT&T Access Number for the country you're in, and you'll be connected to an English-speaking operator or voice prompt within seconds. You'll be home in no time. Fast, easy calling worldwide. *That's Your True Choice.*℠ *AT&T.*

EUROPE

Armenia*†	..8014111
Austria*††	022-903-011
Belgium*	0-800-100-10
Bulgaria◆	..00-800-0010
Croatia◆	99-385-0111
Czech Republic*	00-42-000-101
Denmark	8001-0010
Finland*	9800-100-10
France	19-0011
Germany	...0130-0010
Greece*	00-800-1311
Hungary*	000800-01111
Iceland*	800 9001
Ireland	1-800-550-000
Italy*	172-1011
Lithuania◆	80196
Luxembourg	0-800-0111
Macedonia, F.Y.R.*††	99-800-4288
Malta■	0800-890-110
Monaco*	19-0011
Netherlands*	06-022-9111
Norway	800-190-11
Poland*	00-0-800-111-1111
Portugal†	05017-1-288
Romania*	01-800-4288
Russia*† (Moscow)	155-5042
Slovak Rep.*†	00-42-000-101
Spain■	900-99-00-11
Sweden	020-795-611
Switzerland*	155-00-11
Turkey*	00-800-12277
Ukraine†	80100-11
United Kingdom	0800-89-0011
	0500-89-0011

MIDDLE EAST

Bahrain■	800-001
Cyprus*■	800-90010
Egypt* (Cairo)	510-0200
Israel	177-100-2727
Jordan■	18 800 800
Kuwait■	800-288
Lebanon (Beirut)*††	426-801
Qatar■	0800-011-77
Saudi Arabia●	1-800-10
Syria	0-801
U. Arab Emirates*■	800-121

AFRICA

Gabon*	080-001
Gambia*	00111
Ghana	0191
Ivory Coast*	05-111-11
Kenya†	0800-10
Liberia	797-797
Morocco■	002-11-0011
Sierra Leone	1100
South Africa	0-800-99-0123
Zambia◆	00-899
Zimbabwe†	110-899

AMERICAS

Argentina◆	..001-800-200-1111
Bolivia*	0-800-1112
Brazil	000-8010
Canada	1-800-225-5288
Chile	800-800-288
Colombia	980-11-0010
Costa Rica*■	0-800-0-114-114
Ecuador*	999-119
El Salvador*††	800-1785
Guatemala†††	190
Mexico◇◇◇■	95-800-462-4240
Nicaragua◆	174
Panama*	109
Peru*■	171
Venezuela*■	800-11-120

AT&T
Your True Choice

AT&T Access Numbers for countries in the Asia/Pacific region are listed daily in the Asian edition of the International Herald Tribune.

Automated calling not yet available from all countries or phones. Hold-level countries permit country-to-country calling between more than 90 countries. Collect calling is available to the U.S. only. Country-to-country rates consist of the sum of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all the countries listed above. *Dial tone first, outside Paris 800. ◆Wait for second dial tone. ■Limited availability. †Limited calling hours. ††Public phones require local coin payment during call. ◆Not available from public phones. ◇Wait for second dial tone. ◇◇◇When calling from public phones, use phones marked "Ladatel." ■Calling available to most European countries. ■Country-to-country calls can only be placed in first country. ●1996 AT&T